



Annual Report

Department of Communications, Information Technology and the Arts

2001–02



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Department of Communications, Information Technology and the Arts

2001–02

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Department of
Communications
Information Technology
and the Arts

Secretary

Helen Williams AO

Senator The Hon Richard Alston
Minister for Communications,
Information Technology and the Arts
Parliament House
Canberra ACT 2600

Dear Minister

In accordance with the provisions of section 63 of the *Public Service Act 1999*, I present you my report on the operation of the Department of Communications, Information Technology and the Arts for the financial year ending 30 June 2002.

The Requirements for Annual Reports, approved by the Joint Committee of Public Accounts and Audit, require that a copy of these reports is laid before each House of Parliament on, or before, 31 October in the year in which the report is given.

Yours sincerely

Helen Williams
27 September 2002

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Review by Secretary

2001–02 Annual Report

An environment of change

Change has been a major influence on the working environment of the Department of Communications, Information Technology and the Arts in 2001–02.

Market conditions for the telecommunications and information and communication technology (ICT) sectors around the world remained difficult over the past twelve months and, while Australia generally fared better than many overseas markets, conditions for new entrants have been particularly challenging. Technological change and convergence continue to be key dynamics creating new pressures on policy development and operating systems.

For the Arts and Sport sectors, the implications of the insurance crisis have been significant, with the potential to impact heavily on both access and affordability.

Policy advice

This environment of change, together with ongoing challenges, required innovative advice in a range of areas including:

- developing a range of initiatives in response to the Telecommunications Service Inquiry (TSI) including the Telecommunications Action Plan for Remote Indigenous Communities and connection and repair times for telephone services;
- providing advice on a range of digital, national and commercial broadcasting issues and administering the rollout of services, particularly to regional, rural and remote Australia, under the Television Fund;
- developing simplified industry arrangements for Government ICT procurement designed to facilitate Australian small-to-medium enterprise (SME) participation in Government ICT contracts;

- providing advice on the insurance needs of the arts and sport sectors and ensuring that their needs were considered in overall policy development in this area; and
- developing a \$92.7 million integrated film package designed to support the continuing success of the industry.

A key ICT industry development initiative, which commenced during the year, was the ICT Framework for the Future announced by the Prime Minister in February 2002. The Framework will result in a shared government-industry understanding of the challenges facing Australia's ICT sector over the next decade.

The Department also worked on a number of papers provided to the Broadband Advisory Group (BAG) which was established in March 2002. The BAG was established to advise on future directions for broadband policy to ensure that it maximises the social and economic potential of broadband services.

The Department provided advice on a range of reports including the Australian Competition and Consumer Commission report on the Review of Telstra Price Controls and the Productivity Commission Report on Telecommunications Competition Regulation.

In addition, Mr Rupert Myer, Chair of the Contemporary Visual Arts and Craft Inquiry submitted his report to the Minister for the Arts and Sport in June 2002. In consultation with the Australia Council, the Department undertook a range of research tasks and provided secretariat services to the Inquiry.

Policy advice in most of these areas requires ongoing consultation with industry, other Commonwealth agencies and other sectors of government.

Throughout 2001–02, the Department was involved in a number of cross-Government and industry advisory groups. The National Collections Advisory Forum was established by the Cultural Ministers Council at its May 2002 meeting in response to the study of Key Needs of Heritage Collections and the Department continued to provide input to the wide range of issues addressed by the Online Council.

The Department also works closely with its 23 Portfolio Agencies. Three meetings of the Heads of Cultural Organisations (HOCO) were held during the year and meetings were held with the communications regulatory agencies and organisations. These provide an informal forum for discussion of governance issues, policy initiatives and research directions.

Legislation

One of the defining features of the Department is the amount of legislation which it administers. The combination of regulatory intervention and an environment of rapid technological change requires that the Department be responsive to the Government's needs and be capable of delivering robust and effective legislation in tight timeframes.

During the year the Department was involved in the development of a number of Bills and subordinate instruments relating to trade practices, telecommunications, broadcasting and taxation incentives.

Program implementation

In 2001–02, the Department took on a greater amount of program development and implementation in addition to policy work.

In particular, the Department administered funding from the sale of the first and second tranche of Telstra shares through the Networking the Nation programs.

In addition, a number of major tenders leading to contracts were administered. These included the contract with Telstra for the introduction of untimed local calls in the remote 'extended zones', the contract with Vodafone for enhanced mobile phone coverage on major highways and the tenders designed to improve mobile phone coverage in regional towns.

The programs run by Questacon—the National Science and Technology Centre, and ScreenSound Australia—the National Screen and Sound Archive, (both part of the Department) continued to move forward in 2001–02.

Funding from the Federal Government's *Backing Australia's Ability* initiative enabled Questacon to launch its *Smart Moves* project on 21 February 2002. This project introduces cutting-edge science and technology to rural and regional secondary students. Meanwhile ScreenSound acquired more than 18 600 items reflecting Australia's heritage in screen and sound for its collection in 2001–02, and 84 465 items were entered into its management system database.

Machinery of Government changes

The year 2001–02 saw several changes in the Department's responsibility resulting from the November 2001 Administrative Arrangements Orders following the Federal election.

The Department acquired the Sports function from the Industry, Tourism and Resources Portfolio, and the Government Information Access function was transferred from the Department of Finance and Administration. In addition, the National Office for the Information Economy became a prescribed agency reporting separately to Parliament.

Other changes to the structure of the Portfolio include the transfer of the National Australia Day Council to the Prime Minister and Cabinet Portfolio and the transfer of the Protection of Movable Cultural Heritage legislation to the Department of Environment and Heritage.

Corporate developments

The year 2001–02 saw a range of corporate developments for the Department. In particular, work was undertaken to improve financial reporting and monitoring, including more closely integrating Questacon and ScreenSound Australia into the Department's financial reports.

Outsourcing of corporate services is an issue to which the Department has devoted considerable time and effort this year. The Department is currently considering its business needs relating to the 'Group 5' IT&T contract with Telstra Enterprise Services (TES), and expects to make a decision by December 2002.

The Department's human resource (HR) management services were outsourced to the Empower Group in September 2001. While considerable improvements to HR services have been made, a six month review of the contract identified areas of concern about the quality and level of services provided which will be addressed in the coming months.

At the time of reporting, agreement had yet to be reached on a replacement Certified Agreement for the one which nominally expires on 30 June 2002. It is anticipated that agreement will be reached early in 2002–03.

In February 2002, the Department's protective security review was completed, which recommended improvements to the storage and handling of information, and identified some weaknesses in the existing security system and perimeter physical security. As a result, the Department's security policies on document handling and storage are being updated and the security handbook is being revised. New security training for all staff will commence in August 2002.

Security of vehicles and safety in accessing them continue to be important issues for staff. While the security measures undertaken by the Department provide safer access to vehicles adjacent to the Department, the lack of parking in the vicinity remains a matter of considerable concern.

Outlook for 2002–03

The coming year will present ongoing challenges for the Department.

Preparation will commence for the Commonwealth Government's involvement in the Melbourne 2006 Commonwealth Games which is the responsibility of the Minister for the Arts and Sport. A Commonwealth Games Taskforce has been established within the Department to support the Minister in performing this function.

The Department will assist the Government in the preparation of its response to the Contemporary Visual Arts and Craft Inquiry, which will involve consultation with the states and territories.

Telecommunications services in regional Australia will remain an important issue for the Department, with secretariat services being provided to the Regional Telecommunications Inquiry chaired by Mr Dick Estens. The Inquiry will report to the Government on 8 November 2002.

Competition in communications, including as it affects digital television, pay television and investment in broadband, will continue to require focused attention.

Overall, 2002–03 will require maintenance of the momentum that has been achieved in this financial year. The Department would not have been able to achieve the successful outcomes it has in 2001–02, however, without the dedication and commitment of its staff. I would like to join with Dr Ian Watt, the Secretary of the Department for the first half of this year, in thanking everyone for their hard work and professionalism.

Helen Williams

Departmental overview

Role and functions

The vision of the Commonwealth Department of Communications, Information Technology and the Arts (DCITA) is that Australia will continue to develop dynamic and world-class communications, information technology and cultural and sport sectors. The Department builds on the underlying opportunities provided by new technologies to enrich the economic, social and cultural wellbeing of all Australians.

To support this vision, the Department provides strategic advice and professional support to the Australian Government on a wide range of policy areas including the arts, cultural development, broadcasting and online regulation, information and communications technology, intellectual property, sport and telecommunications.

The Department also administers legislation, regulations, grants and incentives to industry and the wider community, and supports advisory councils and committees. In world forums, the Department seeks to maximise Australia's opportunities in global markets and on related international treaties and agreements.

The Department's staff work towards achieving four outcomes:

- a rich and stimulating cultural environment and a stronger, sustainable and internationally competitive Australian sport sector;
- competitive and effective communications and information technology industries and services, and improved access to Government information;
- Australians value science and technology's contribution to our culture and economic prosperity; and
- increased use, enjoyment and safety of Australia's audiovisual heritage.

To achieve these outcomes, the Department's resource management practices and corporate services support a highly-skilled, motivated and focused workforce by investing in training and development initiatives, retaining and attracting highly-skilled staff, and promoting excellence and continuous improvement.

The roles and function of the Department are set out below.

Arts and culture

The Department encourages excellence in, and access to, Australia's cultural activities by developing policies, conducting research, collecting statistics, administering legislation and grants, and managing Old Parliament House and the National Portrait Gallery.

Program areas include tax incentives for the arts and film, support for touring cultural activities and assistance for national elite training institutions. The Department also supports the national collecting institutions and helps maintain a strong and vibrant Australian film industry.

Broadcasting and online regulation

The Department provides policy advice and administers programs relating to the television and radio broadcasting sector, including national, commercial, subscription and community broadcasters, intellectual property and the regulation of online content.

In particular, the Department administers television and radio blackspots programs designed to extend the reach of television and radio services to the Australian community.

Information and communications technology

To encourage and support the growth of this important sector, the Department administers a range of measures facilitating information and communications technology (ICT), small-to-medium enterprise development, multinational engagement in Australia's ICT sector, innovation promotion and support infrastructure development. These measures include the Building on IT Strengths program, the Advanced Networks Program, the National Communications Fund, the ICT Centre of Excellence and industry development arrangements for Commonwealth Government ICT procurement.

The Department also has a significant role in preparing advice on policy initiatives relevant to the ICT sector. Current activities include development of an ICT Framework for the Future, a shared Government-industry stakeholder plan for Australia's ICT industry over the next decade.

Intellectual property

The Department advises on a range of issues relating to intellectual property. This includes the management of intellectual property in the public and private sectors, and the rights of creators including moral rights, performers' rights and Indigenous cultural intellectual property. The Department has joint responsibility, with the Attorney-General's Department, for copyright policy matters relating to the *Copyright Act 1968* and advises on the Government's copyright reform agenda.

Sport

The Department is responsible for advising the Government on several key sports issues, in particular anti-doping and the potential for growth in the sport and leisure industries. The Department works closely with the Australian Sports Drugs Agency and the Australian Sports Commission. The Department is also coordinating the Federal Government's involvement in the Commonwealth Games in Melbourne in 2006.

Telecommunications and post

The Department is responsible for advising the Government on a range of telecommunications and postal policy matters and for implementing a number of programs, including Social Bonus programs designed to improve telecommunications services to rural and remote Australia and the Government's response to the Telecommunications Service Inquiry. Competition, consumer choice and universal access are key underlying principles.

The Department works closely with industry and agencies like the Australian Communications Authority, the Australian Competition and Consumer Commission and the Telecommunications Industry Ombudsman.

Organisational structure

The Department is led by the Secretary, assisted by the Executive Director for Arts and Sports and the Executive Director for Communications who, together, comprise the Executive (pictured below). Supported by the Department's Senior Executive Service, the Executive provides leadership through decision-making on the development of broadcasting, telecommunications, information technology, intellectual property, cultural and sport policy.

The Department is supported in its operations by the Corporate and Business Division and the Legal Group. The Department has operational groups including ScreenSound Australia—the National Film and Sound Archive, Questacon—the National Science and Technology Centre, Artbank, the National Portrait Gallery and Old Parliament House.

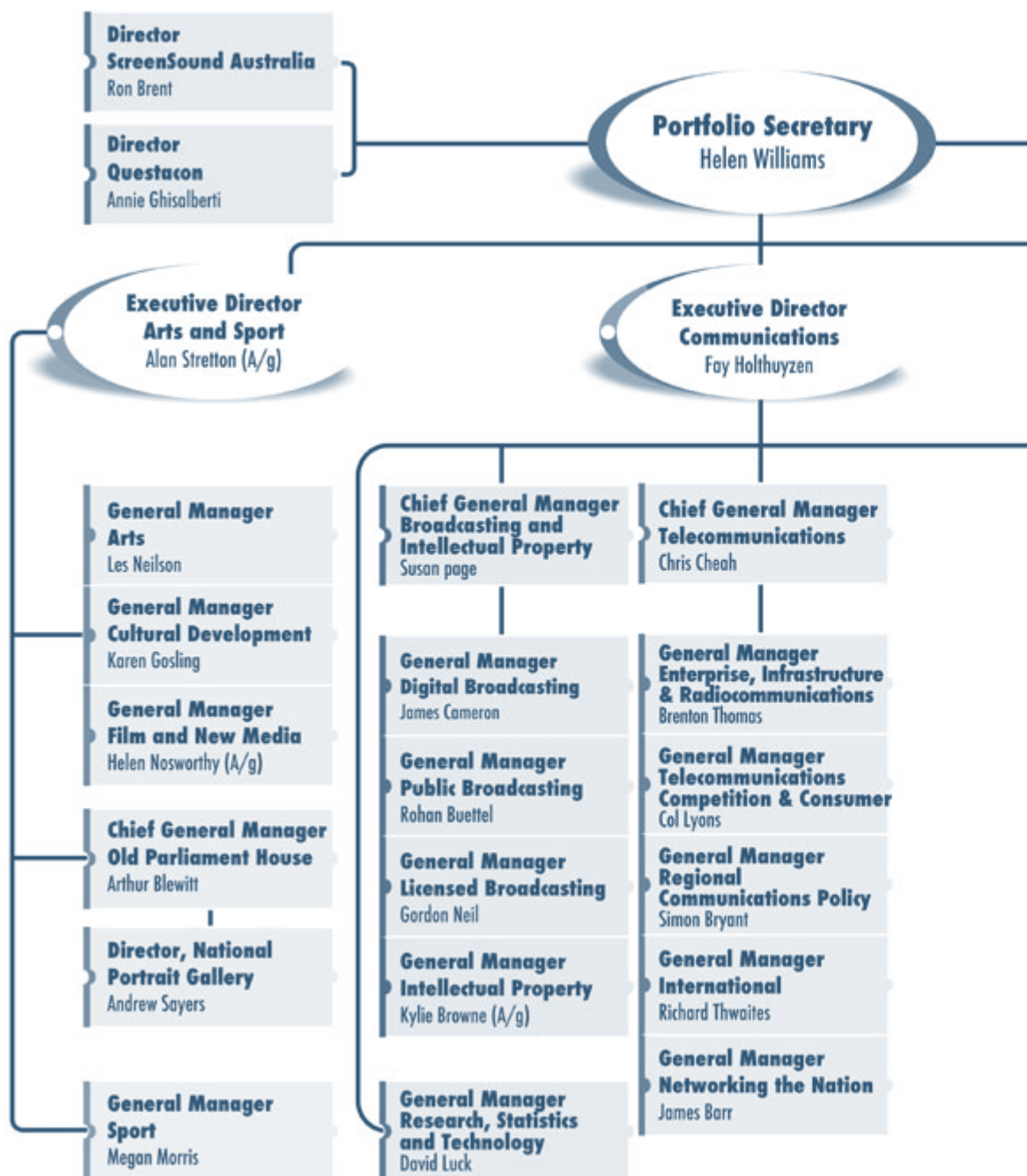
These units are responsible for delivering the Department's outputs under each of the four outcomes, and the Department's organisational structure is illustrated on pages 18 and 19.

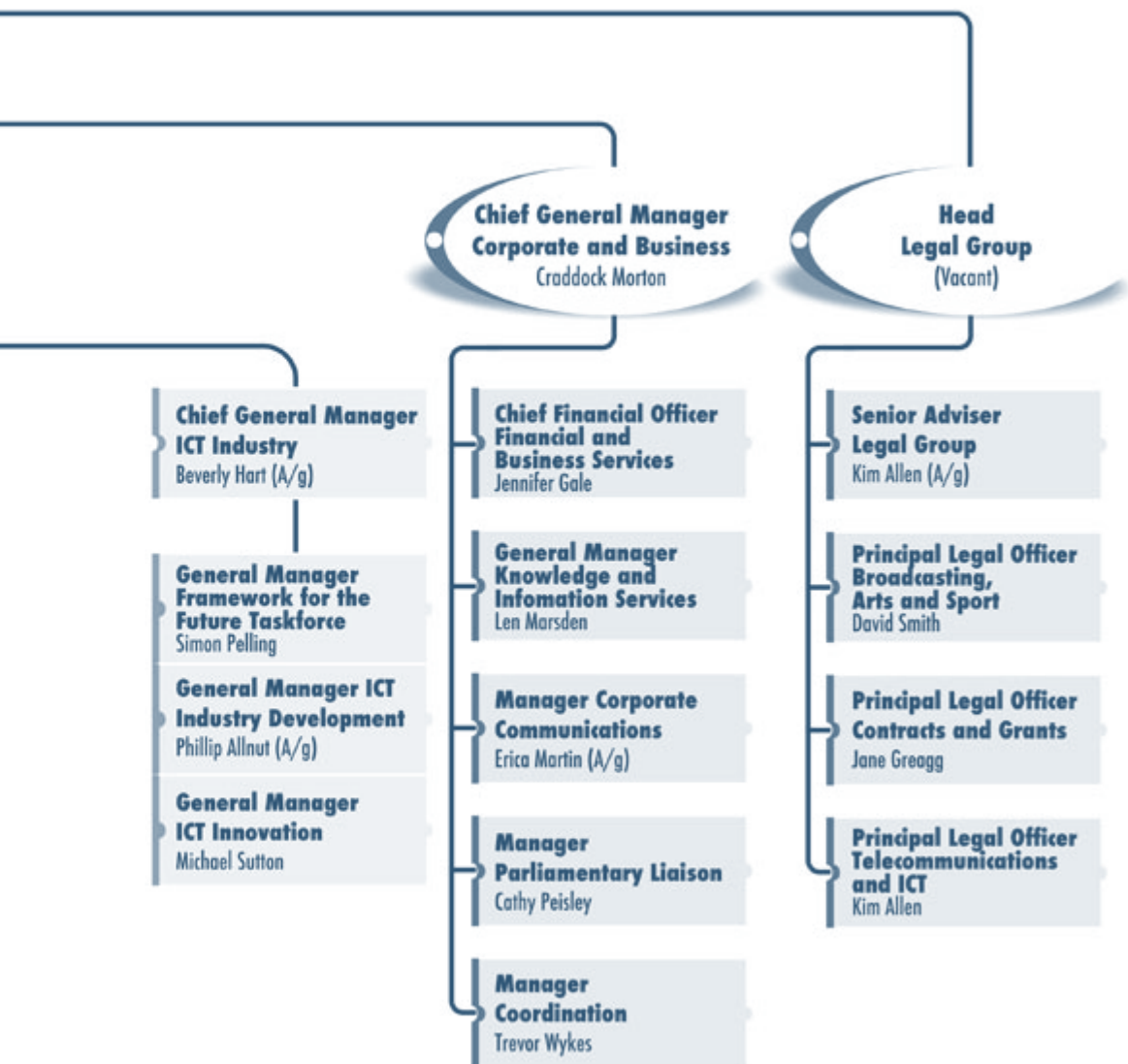
ScreenSound Australia and Questacon form part of the Department's overall accountability framework and, in consultation with the Secretary, these groups decide their respective strategic directions and management policies.



The Department's Executive, from L to R: Helen Williams, Secretary; Alan Stretton, Executive Director for Arts and Sport; Fay Holthuyzen, Executive Director for Communications.

Organisational chart





Outcome and output structure

Outcome 1

A rich and stimulating cultural environment and a stronger, sustainable and internationally competitive Australian sports sector.

Departmental outputs

Output 1.1: Strategic policy advice, support and awareness for the cultural and sport sectors.

Output 1.2: Increase awareness, knowledge and understanding of the Centenary of Federation and encourage participation in events celebrating the Centenary.

Output 1.3: Understanding and knowledge of Australian history, culture and portraiture through access to Old Parliament House and the National Portrait Gallery.

Administered items

Cultural Development Program

Book Industry Assistance Plan

Federation Fund Grants

National Recreation Safety

Sport and Recreation Program
(Anti-doping)

Outcome 3

Australians value science and technology's contribution to our culture and economic prosperity.

Departmental outputs

Output 3.1: Programs and exhibitions that engage people in science and technology.

Outcome 2

Competitive and effective communications and information technology industries and services and improved access to Government information.

Departmental outputs	Administered items
Output 2.1: Strategic advice, policy and programs to achieve competitive and effective communications and information technology industries and services.	Regional Telecommunications Infrastructure Fund Telstra Social Bonus 2 National Relay Service Universal Service Levy ABC and SBS Digital Interference Subsidy National Transmission Network Residual Funding Pool Federation Fund Grants—Commonwealth Technology Port Compensation to Société Internationale de Télécommunications Aéronautiques Government response to Telecommunications Service Inquiry International organisations' contributions Australia's response to foot and mouth disease and other quarantine risks

Outcome 4

Increased use, enjoyment and safety of Australia's audiovisual heritage.

Departmental outputs
Output 4.1: A high quality, safe and accessible national audio-visual collection. Output 4.2: The national audio-visual collection is widely accessed by the public.

Explanation of changes to outcomes and outputs

The most significant change for the Communications, Information Technology and the Arts Portfolio during the year came as a result of the November 2001 Administrative Arrangement Orders which have resulted in modifications to the title and functions of Outcomes 1 and 2 for the Department. The Department of Communications, Information Technology and the Arts (DCITA) acquired the Sports function and the Portfolio gained three sports agencies—the Australian Sports Commission, the Australian Sports Foundation and the Australian Sports Drug Agency—from the Industry, Tourism and Resources Portfolio.

The Government Information Access function was transferred to DCITA from the Department of Finance and Administration. As of 1 July 2002, the majority of the Information Access functions will be transferred to the National Office of the Information Economy (NOIE) as noted on page 387 of the Department's 2001–02 Portfolio Budget Statement.

Major changes to the status of NOIE—an executive agency presented as part of DCITA in the 2001–02 Portfolio Budget Statement—means it is now a prescribed agency, and DCITA's previous Outcome 5 is now classified as Outcome 1 for NOIE. (NOIE tables a separate annual report to Parliament.)

Other changes to the structure of the Portfolio's outcomes and outputs include the deletion of Output 1.4 due to completion of the National Museum of Australia's construction, the transferral of the National Australia Day Council to the Prime Minister and Cabinet Portfolio, and the transferral of the Protection of Movable Cultural Heritage legislation to the Department of Environment and Heritage.

Structure of the Portfolio

The Minister for Communications, Information Technology and the Arts, Senator the Hon Richard Alston, and the Minister for Arts and Sport, Senator the Hon Rod Kemp, are supported by the Department and 23 agencies in the Communications, Information Technology and the Arts Portfolio. These are:

- Australia Business Arts Foundation;
- Australia Council;
- Australia Post;
- Australian Broadcasting Authority;
- Australian Broadcasting Corporation;
- Australian Communications Authority;
- Australian Film Commission;
- Australian Film Finance Corporation;
- Australian Film, Television and Radio School;
- Australian National Maritime Museum;
- Australian Sports Commission;
- Australian Sports Drug Agency;
- Australian Sports Foundation;
- Bundanon Trust;
- Film Australia Limited;
- National Archives of Australia;
- National Gallery of Australia;
- National Library of Australia;
- National Museum of Australia;
- National Office for the Information Economy;
- NetAlert Limited;
- Special Broadcasting Service Corporation; and
- Telstra.

Contact details of these agencies are contained in Appendix 2 of this Annual Report.

Outcome 1

A rich and stimulating cultural environment and a stronger, sustainable and internationally competitive Australian sports sector.

Resources for outcomes → Outcome 1

	(1) Budget* 2001–02 \$'000	(2) Actual expenses 2001–02 \$'000	Variation (column 2 minus column 1) \$'000	Budget** 2002–03 \$'000
Administered expenses (including third party outputs)	182 228	165 377	(16 851)	147 418
Total administered expenses	182 228	165 377	(16 851)	147 418
Price of Departmental outputs				
Output 1.1 – Strategic policy advice, support and awareness for the cultural and sport sectors	34 241	22 177	(12 064)	29 636
Output 1.2 – Increase awareness, knowledge and understanding of the Centenary of Federation and encourage participation in events celebrating the Centenary	10 522	11 267	745	Nil
Output 1.3 – Understanding and knowledge of Australian history, culture and portraiture through access to Old Parliament House and the National Portrait Gallery	9 421	9 867	446	9 740
Revenue from Government (Appropriation) for Departmental outputs	40 262	43 311	3 049	34 310
Revenue from other sources	13 922	15 657	1 735	5 066
Total price of outputs	54 184	58 968	4 784	39 376
TOTAL FOR OUTCOME (Total price of outputs and administered expenses)	236 412	224 345	(12 067)	186 794

* Full-year budget, including additional estimates. These figures may not be the same as the Budget figures in Note 20A to the Financial Statements as the additional estimates resourcing has been included in this table.

** Budget prior to additional estimates.

Average staffing level	2001–02	2002–03
	243	222

Performance indicator index

Performance indicator	PBS page reference	Annual Report page reference
Departmental outputs		
Output 1.1 > Strategic policy advice, support and awareness for the cultural and sport sectors	38 PAES 30–32	28
Output 1.2 > Increase awareness, knowledge and understanding of the Centenary of Federation and encourage participation in events celebrating the Centenary	39	34
Output 1.3 > Understanding and knowledge of Australian history, culture and portraiture through access to Old Parliament House and the National Portrait Gallery	40	36
Administered items		
Cultural Development Program	37	40
Book Industry Assistance Plan	37	43
Federation Fund grants	37	43
National Recreation Safety	PAES 27	44
Sport and Recreation Program (Anti-doping)	PAES 27	45
Evaluations		
Return of Indigenous Cultural Property Program	41	45
Acton Peninsula Project	41	45

Outcome 1

A rich and stimulating cultural environment and a stronger, sustainable and internationally competitive Australian sports sector.

The Department provides strategic advice to the Government on arts and sport policy issues, administers programs and assists the work of the arts and sport bodies established within the Portfolio. The sport function was incorporated into the Outcome following the machinery of government changes in November 2001. Key administrative challenges in this outcome have been the smooth integration of the Sport function into the Department and the winding down of the Centenary of Federation and Federation Fund programs.

The following developments had a particular influence on the arts and sport functions during 2001–02:

- higher Government funding of cultural and sporting activities has been complemented by efforts to increase private sector support through philanthropy and sponsorship. Changes to the philanthropy incentives introduced in 2000 have seen a rise in the volume of cultural gifts and cash donated to cultural bodies;

- Australia continued to attract a large number of foreign film productions creating employment, income and development opportunities for the Australian film industry. A film package was announced in September 2001, aimed at strengthening these trends; and
- there has been a growing international focus on doping in sport and significant steps have been taken in the development of a World Anti-Doping Code.

The Department administers several programs related to the Centenary of Federation. It also administers funding for touring through Visions of Australia, Festivals Australia and Playing Australia (funded through the Cultural Development Program), funding of training institutions such as the National Institute of Dramatic Art and the Australian Youth Orchestra, and funding to authors and publishers through the Education Lending Right (ELR) and Public Lending Right Schemes. In addition, the Department administers tax incentive programs for the arts and film sectors. With the transfer of the sports function came the responsibility for the funding of grants through the National Recreation and Safety Grants Program.



The Arts Division General Managers, from L to R: Helen Nosworthy, Les Neilson and Karen Gosling.

Departmental outputs

Output 1.1: Strategic policy advice, support and awareness for the cultural and sport sectors.

Performance indicators	<ul style="list-style-type: none">• Timely and high quality advice provided to the Government on cultural and sport matters.• Grant recipients report as appropriate on the range of performance, audience reach, critical acclaim, international response, as well as recognition and achievements of graduating students.• Relative level of private sector support for the arts, humanities and sport.• Impact of assisted tours of performances and cultural exhibitions and festivals.• Client satisfaction with the ELR Scheme (reported under administered Items for this output).• Extent to which Register of Cultural Organisations and Cultural Gifts Program clients are familiar with, and maximising the benefits of the programs, including the new philanthropy provisions.• Production of high quality Australian film, television and multimedia content.• Relative level of private sector support of cultural activity through the Register of Cultural Organisations and Cultural Gifts Program.• Level of online access to cultural information.• Number and value of international exhibitions indemnified.• Percentage of Indigenous communities notified of the existence of their cultural property in Commonwealth and state museums in comparison with the number of communities cultural property represented in these museum’s collections.• Level of domestic audience reach by Commonwealth film and television investments.• Implement the Sport and Leisure Industry Strategic National Plan and the Tough on Drugs Strategy.• Timely assessment of annual reports submitted by the Commonwealth cultural and sports agencies.
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The Department provides strategic advice to the Minister on cultural and sports issues promoting excellence, access, participation and sustainability in the cultural and sport sectors. This financial year, the Department provided policy advice and analysis on a broad range of issues including, for example, public liability insurance, agencies’ governance, funding for the National Museum of Australia and support of the national cultural training institutions.

The Department’s advice to the Minister on budget issues helped support an increase in funding of \$37.2 million over four years commencing in 2002–03 to the National Museum of Australia, and funding increases to a number of the national cultural training institutions including in particular, the National Institute for Dramatic Art and the National Institute of Circus Art. Analysis provided by the Department on public liability insurance issues affecting the arts and sport

sectors enabled the Minister to ensure that the needs of these sectors were considered as part of the broader whole-of-government agenda.

In addition to the following performance analysis, other key outcomes for Output 1.1 include:

- provision of secretariat support to Mr Rupert Myer who completed the Contemporary Visual Arts and Craft Inquiry in June 2002;
- agreement by the Cultural Ministers Council to establish the National Collections Advisory Forum, and to undertake a major redevelopment of the Australian Museums On-Line website;
- establishment of the Melbourne 2006 Commonwealth Games Taskforce to oversight arrangements for Commonwealth security and non-security services; and
- establishment of a Corporate Governance Unit to encourage the adoption of better practice principles on governance within portfolio arts and sport agencies.

A discussion and analysis of the Department's key achievements impacting on performance for this output is set out below.

Cultural program management and delivery

Programs managed by the Department provided more than \$100 million in funding support for a number of cultural organisations and activities across Australia. This included funding under the Cultural Development Program, the Regional Arts Fund and the Federation Fund. Many of these programs are discussed under the Administered Items for Outcome 1.

The Regional Arts Fund, totalling \$2.5 million, provides a range of projects targeted to regional Australia. Management of the Fund is devolved from the Department to state regional arts organisations and territory government arts portfolios in order that funding is more closely targeted to the needs of regional communities. Under formal funding agreements, the Department maintained a close liaison role with, and monitoring of, these administering organisations. Reporting by the organisations confirmed that the Program is being managed

effectively and is delivering significant support to regional, rural and remote communities.

Two funding rounds were completed during the year and examples of projects funded include:

- the Writers Ontour Outback which toured eight regional Queensland communities to raise awareness of, and interest in, Australian books and writing in regional Queensland;
- the Arts Run Initiative which presented a series of skills development workshops by local artists and art workers for artists and art workers in the Alice Springs region; and
- the Biting Dog Theatre Festival, an interactive festival for secondary school students in the Albury/Wodonga region covering all facets of staging a festival including performance, administration, technical production and stage management.

Online access to cultural information

The Culture and Recreation Portal is part of the Commonwealth Government's customer focused portals framework. It provides access for Australians and international visitors to information about Australian culture, to the websites of Australian culture and recreation organisations, and to services and resources for cultural and recreation organisations. The level of online access to cultural information through the Culture and Recreation Portal increased from 1800 Australian websites on arts and culture and sports and recreation in 1999–2000 to more than 2000 websites this financial year. In 2001–02, the number of visitors per month to the Culture and Recreation Portal rose by eight per cent, from 120 000 to 130 000 visitors.

This financial year, the Australian Museums and Galleries Online Website content expanded with the addition of 13 new collections and 1004 new records with images.

Cultural philanthropy

The Register of Cultural Organisations (ROCO) supports approved cultural organisations through tax deductibility of donations, and the Cultural Gifts Program (CGP) encourages the donation of significant cultural items to public libraries, museum and galleries by offering donors a tax deduction. The extent to which ROCO and CGP clients are familiar with, and are maximising benefits of, these programs is evident from the overall increase in participation levels.

Organisations listed on the ROCO received a total of \$11.3 million in donations during the first half of 2001–02. (Returns for the second half of the year are yet to be received by the Department.) By comparison, over the first half of 2000–01, organisations received \$8.4 million in donations and the total rose to \$24 million by the end of the year. The number of ROCO organisations has increased from 793 in December 2000 to 826 in December 2001.

Donations under the CGP considered by the Committee on Taxation and Incentives for the Arts during 2001–02 were valued at \$27.5 million. This included two exceptionally large donations. The comparable figure for 2000–01 was \$18.2 million.

Throughout the year, the Department focused its promotional efforts on the enhancements to program incentives introduced during 1999–2000 and the benefits to both donors and the cultural sector through participation in ROCO and CGP. A new communications strategy has been developed for implementation in 2002–03.

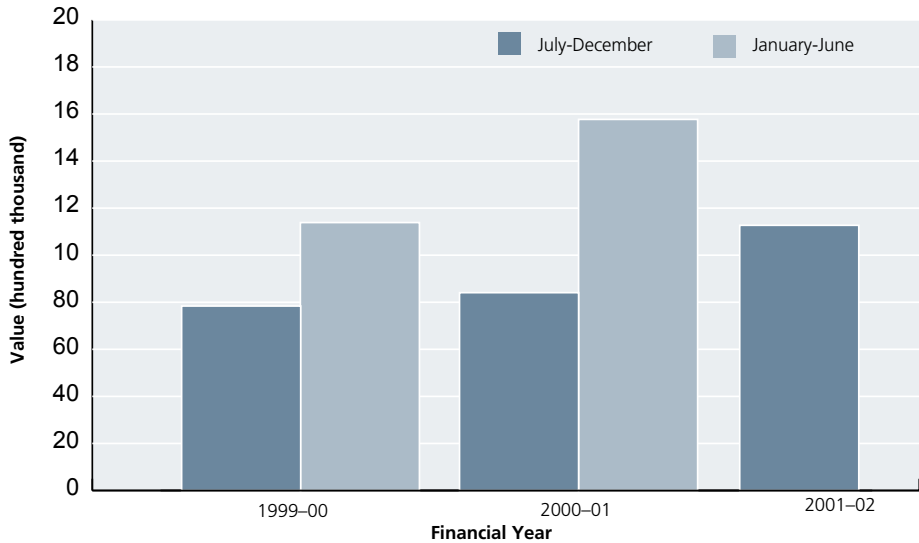
Personal and business information collected in respect of the cultural taxation incentives program is managed in accordance with the Information Privacy Principles of the *Privacy Act 1988*.

Art collections

Art Indemnity Australia helped provide public access to a large number of significant artworks and cultural treasures drawn from public and private collections around the world. The Commonwealth indemnified five exhibitions which toured to Sydney, Melbourne, Perth and Canberra during the financial year. The exhibitions were:

- *Gold and Civilization;*
- *Monet and Japan;*
- *Renior to Picasso: Masterpieces from the Musee de l'Orangerie Paris;*
- *Treasures from the World's Great Libraries;* and
- *The Italians: Three Centuries of Italian Art.*

Graph 1: Donations – Register of Cultural Organisations



Note: Returns for the second half of 2001–02 will be reported in the 2002–03 annual report.

This was the first financial year in which Art Indemnity Australia has been underwritten by Comcover insurance. This placed the program on a more certain footing by reducing the Commonwealth's exposure to risk.

The first two of these exhibitions were held to celebrate the Centenary of Federation, which led to an increase in the number of exhibitions from three to five. This increase also produced a rise in the number of people visiting indemnified exhibitions which totalled close to 600 000 visitors in 2001–02, compared with 470 000 in 2000–01. The total value of indemnified exhibitions in 2001–02 was \$2 030 671 247, an increase of \$500 million from the previous year.

The Department's administration of Artbank, a self-funding organisation purchasing the work of contemporary Australian artists and renting them to the private and public sector, contributes to this output by creating market opportunities for emerging Australian artists and enhancing access to Australian art. At the beginning of the financial year there were 8631 works in the collection. During the year, 246 works were purchased from 144 artists to the value of \$606 500, and 54 works were disposed of, including eight that were lost, 44 were sold and two damaged beyond repair. This resulted in a collection of 8823 works at the end of the financial year. The works were valued at \$18 820 605 which represents an increase of \$5 516 587 from the previous year.

More than 6000 works from the Artbank collection were displayed during 2001–02, some 43 per cent of which were displayed by private sector organisations, with state and local governments displaying a further 3.5 per cent of the collection. Of the 53.5 per cent displayed by the Commonwealth Government, nearly 28 per cent were located in overseas posts. In addition, Artbank developed an exhibition of Tiwi Islands artwork to tour Australian Embassies and High Commissions over the next three years.

To celebrate 21 years of supporting Australian visual artists, Artbank printed 470 copies of a commemorative publication called *Artbank: Australian art in public spaces*. The publication is helping to increase public awareness of the breadth and quality of Artbank's collection, and the Commonwealth's commitment to promoting the visual arts to a wide audience.

Indigenous cultural property

The Return of Indigenous Cultural Property Program (RICP) is an initiative of Cultural Ministers Council and supports the return to Indigenous communities of ancestral remains and secret sacred objects held in museum collections. Eight museums participate in and fund the preparation of material for return to communities, community liaison and consultation, and actual return. The participating museums are the seven state and territory museums and the National Museum of Australia.

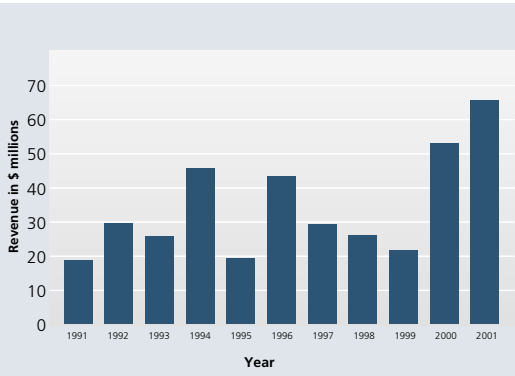
By the end of the 2001–02 financial year, a number of significant outcomes were achieved including the development of databases by all participating museums of their holdings of ancestral remains and secret sacred objects, and the commencement of notifying communities of their holdings of provenanced material. The museums successfully repatriated 231 items of cultural property and reached agreement on transfer of ownership, or actual transfer, for an additional 681 objects. Transfer of ownership is a significant milestone in the repatriation process and is often the first step in returning materials to communities.

Commonwealth Film Program

The Department monitors and evaluates the effectiveness of the Commonwealth's film program, and develops policy and programs for creating and integrating new technologies across Australia's cultural sector.

The Commonwealth Film Program is delivered through a range of film agencies—the Australian Film Commission, the Australian Film Finance Corporation, Film Australia and the Australian Film, Television and Radio School. Assistance for film production is also provided through the Official Co-Production Program, Foreign Actors Entry Scheme and the film tax incentives offered through Divisions 10BA and 10B of the *Income Tax Assessment Act 1936* and the Film Licensed Investment Company Scheme.

Graph 2: Domestic box office revenue for Australian films, 1991 to 2001



In September 2001, the Government announced a funding package for Australia’s local film industry worth \$92.7 million over the next five years. The package significantly increases support for the local industry with funding targeted at all levels of activity including training and development, film and television production, and boosting the broadband capacity of the post-production sector.

As part of the package, the Government also introduced a refundable tax offset, which will provide an incentive for larger budget film production to locate in Australia. Eligible films completed on, or after, 4 September 2001 can claim the offset. The tax offset has been designed to keep Australia competitive in an increasingly global film production environment, and is expected to boost significantly opportunities for Australian film production services industries and for performers and creative personnel to gain experience on international film productions.

Following consultation with domestic and international film production industries, the Department, in association with the Australian Taxation Office and the Treasury, managed the development and passage of the legislation which implemented the tax offset—the *Taxation Laws (Film Incentives) Act 2002*. The Act gained royal assent in April 2002 and, after a further

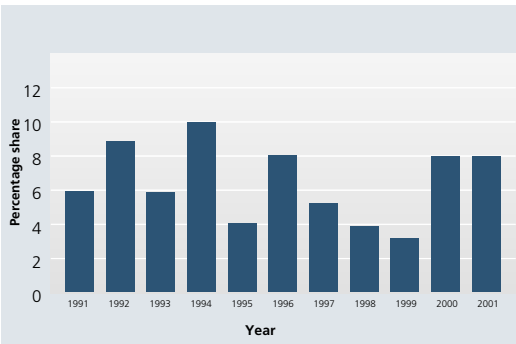
consultation process, the Department gazetted the Scheme’s Ministerial Rules and finalised the administrative procedures in June 2002, meeting the timetable which had been advised to the industry for the implementation of the offset.

The Government introduced the Film Licensed Investment Company (FLIC) Scheme in 1998–99 to test new methods for the Government and industry to work together to raise investment for high-quality local film production. The Scheme allows investors to obtain a 100 per cent tax deduction by way of a concessional investment in a licensed company. In April 1999, the Macquarie Film Corporation and Content Capital Limited were granted FLIC licenses under the Scheme.

As at June 2002, both companies had fully invested their concessional capital in qualifying Australian productions. Released in July 2002, *Dirty Deeds* was the first release for Macquarie Film Corporation, and Content Capital invested in a number of film and television productions including *The Monkey’s Mask* and *The Ban*.

The Commonwealth’s film agencies—the Australian Film Commission, the Australian Film Finance Commission and Film Australia—produced a range of quality Australian film, television and multimedia content through the Commonwealth film program this financial year. In the 2001 calendar year¹ there were 27 Australian film releases in total.

Graph 3: Australian films’ percentage share of total domestic box office 1991–2001



¹ The Australian Film Commission information is based on a calendar year and details for the first half of 2002 will be available in October 2002.

Key achievements for film, television and multimedia productions include:

- Ivan Sen's feature film *Beneath Clouds* which won the Premiere First Movie Award for Director (Ivan Sen) at the 2002 Berlin International Film Festival;
- television mini-series *My Brother Jack* which won the Award for Best Telefeature or Miniseries at the Australian Film Institute Award ceremony, November 2001;
- Film Australia's innovative multimedia production *Mabo—The Native Title Revolution* was a finalist for several international multimedia awards including the British BAFTA awards. It also won the 2001 ATOM award for Best Multimedia, and the Australian Interactive Multimedia Industry Association award for excellence in arts and culture;
- the FFC-funded television mini-series *Blue Murder* was screened for the first time in NSW in July–August 2001 and achieved high peak audience figures averaging around 400 000 viewers for that State alone on each of the two nights it was broadcast; and
- the FFC-funded television mini-series, *Do or Die*, attracted a strong peak audience of around 1.2 million viewers nationally on each of the two nights it was screened in July 2001.

The Australian film industry produced a strong box office performance in the 2001 calendar year.² Australian feature films attracted a 7.8 per cent share of the market at the Australian box office generating \$63.4 million in gross takings—the fifth highest share since 1990 and the highest total ever recorded in dollar terms.

Sport

The Department is responsible for advising the Government on several key sports issues. Specifically, the Department coordinates policy advice for the World Anti-Doping Agency, supports the implementation of the national strategy for the sport and leisure industry, coordinates statutory appointments in the Government's sports agencies, manages the Commonwealth's support for national recreation safety organisations, and coordinates the Commonwealth's involvement in the Melbourne 2006 Commonwealth Games.

In 2001–02 the Department undertook a number of initiatives directed towards implementing the Government's sport and leisure industry strategic national plan—*Game Plan 2006*. The Implementation Committee's key outcomes this financial year include the provision of funds to Australia Sport International (ASI) to support activities that deliver export opportunities for Australian sport and leisure companies, the provision of funds to ASI to hold networking functions for Australian sport businesses, and sponsoring the 2001 Australian Sport Export Award.

In April 2002, the Minister for Arts and Sport, Senator Rod Kemp, co-chaired the fourth meeting of the International Inter-governmental Consultative Group on Anti-Doping in Sport (IICGADS) forum. The Minister has undertaken to deliver a draft Memorandum of Understanding (MOU) to the fifth IICGADS meeting in December 2002. The Department convened a planning committee for the IICGADS meeting and, with Canada, continues to lead the drafting committee for MOU working group.

During the year, the Department facilitated a visit by the Monitoring Group of the Council of Europe's Anti-Doping Convention to which Australia is a signatory. The Monitoring Group assessed the Commonwealth's anti-doping policies and procedures and found them to be compliant with its provisions. Specifically their August 2001 report *Report of the Examining Group—Visit to Australia* commented: 'In many respects and areas, the measures introduced by the relevant Australian body have been groundbreaking innovations. In many fields, these and other measures are now regarded as amongst the best of their kind. Australia can certainly claim to have one of the most, if not the most, rigorous anti-doping policy and programs in the world.'

The Department contributed to the development of the draft World Anti-Doping Code, which was released for consideration in June 2002 and is scheduled for endorsement in March 2003 at a World Anti-Doping Conference.

² *ibid.*

During 2001, the Commonwealth approved the establishment of an expert panel to advise on the allocation of anti-doping research funds for the year 2001–02 and beyond. The formal establishment of the Anti-Doping Research Panel was delayed by administrative factors pertaining to remuneration and will be implemented in 2002–03.

Assessment of annual reports

Consistent with the Department’s role in providing advice to the Minister on matters relevant to his portfolio responsibilities, the Department assessed and provided briefing to the Minister on cultural and sport agencies’ annual reports.



Members of the Department’s Sport Division, from L to R: Kevin Thompson, Megan Morris (Chief General Manager) and Clare Donnelly.

Output 1.2: Increase awareness, knowledge and understanding of the Centenary of Federation and encourage participation in events celebrating the Centenary.

Performance indicators	<ul style="list-style-type: none">• Degree of satisfaction of the National Council and the Minister with Secretariat services, quality and timeliness.• Degree to which the communications strategy and the celebratory activities are effectively integrated to ensure widespread community knowledge and interest in the activities and the delivery of activities that are relevant to the community.• Newspaper and magazine advertisements and community service announcements for television produced by the National Council effectively promoted general awareness of Centenary themes.• The effective and efficient administration of the History and Education Program.• Levels of awareness across the community of the centenary and proposed celebratory activities increase (as measured by community sample surveys).• The range of national celebratory activities are delivered around the country (featuring at least one major event in each state and territory) and across the year (featuring a major event approximately every month of 2001) leading ultimately to widespread community involvement.
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The National Council for the Centenary of Federation (COF) coordinated commemorations throughout the 2001 calendar year. Activities for the first half of that year were reported in the Department’s 2000–01 Annual Report. Centenary events and celebrations touched tens of thousands of Australians through major commemorative events, community level festivals, special activities in schools and through commemorative publications, memorabilia and extensive media coverage.

The National Council for COF comprised 17 members. Eight were appointed by the Commonwealth, each state and territory government nominated a representative and there was one local government representative. The National Council coordinated planning and implementation of the National Centenary Program with committees appointed by each state and territory. At its peak, the National Secretariat comprised 28 staff members.

Policy advice to the National Council and briefings for Commonwealth Ministers covered a range of Council's operations including the national communications strategy, the COF History and Education Program, national and international COF events, sponsorship and merchandising. The publications and briefings were delivered to Council and the Minister to agreed standards and timelines.

Through its History and Education Program, the Council offered grants to support projects encouraging Australians to gain a better understanding of the events leading to Australia's Federation, reflecting on the changes that had taken place in Australia in the past 100 years and looking ahead to Australia's future as a nation. Of the 120 projects funded under the History and Education Program, 117 delivered outcomes including a television series broadcast nationally, radio programs, touring exhibitions, online and CD-ROM resources and books and journals about Australian history. Completion of the outstanding projects will depend on publishing schedules dictated by publishers and therefore outside the control of grant recipients.

In order to measure the effectiveness of communications activity, the National Council commissioned three rounds of national tracking and evaluation research between 1999 and 2002, with a special additional round in August 2001. Each round involved large sample telephone surveys and qualitative group discussions involving members of target audiences. Sample sizes varied between 1500 and 2000.

Initial research conducted in 1997, noted that only 27 per cent of Australians were able accurately to define the concept 'Federation'. By 1999, this number grew to 59 per cent, by January 2001 it was 73 per cent and by August 2001 the figure reached 84 per cent.

National research from January 2002—undertaken by Eliot and Shanahan Research—showed four in ten, or 38 per cent, of Australians participated in a COF event during 2001. Of these, the majority, 85 per cent, considered it important for the

Centenary year activities to be decentralised to ensure the best possible participation. Recall of Centenary Year advertising and promotion peaked at 80 per cent in January 2002 compared with 32 per cent in 1999.

The Council's website continued to attract attention during the second half of 2001. Although peak usage was recorded on 8 May 2001 with over 4300 visits, visits for the remainder of the year, allowing for peaks coinciding with major events, averaged approximately 1200 per day.

The national events program for the second half of 2001 included the following:

- July: Regional Queensland, Charleville, Longreach, Cloncurry, Charters Towers, Emerald and Roma, *Federation Airshows in the Outback*
- August: Townsville, *Federation North Fire and Water*
- September: Alice Springs, *Yeperenye Festival*
- October: Perth, *COF Youth Festival*
Adelaide, *Federation Week: An Australian Mosaic*
South Australia/Western Australia, *Tracks to Federation East West Rail Commemoration*
- November: Canberra, *Peoplescape*
- December: Launceston, *The Gathering*

Peoplescape concert secured extensive coverage and promotion of Centenary themes to a national television audience. Both the events were broadcast on ABC Television, with *Yeperenye* broadcast live on Sunday 25 November 2001. Each event attracted audiences of close to 100 000 people.



The *Peoplescape* exhibition, November 2001, Canberra. One of the national events celebrating Australia's Centenary of Federation.

Output 1.3: Understanding and knowledge of Australian history, culture and portraiture through access to Old Parliament House and the National Portrait Gallery.

Performance indicators	<ul style="list-style-type: none"> • Interpretation of Old Parliament House (OPH) as a key heritage site in accordance with the OPH Interpretation Plan. • Enhanced visitor experience through the provision of high quality visitor services, exhibitions, public and education programs at OPH and the National Portrait Gallery (NPG). • Repairs and maintenance of OPH are carried out in accordance with the OPH Master Building Plan. • Conservation of OPH is carried out in accordance with the OPH 2000 Conservation Management Plan and heritage studies. • Further development of a national portrait collection recognised for its national inclusiveness and quality. • Further development of the NPG as a centre for the understanding of Australian portraiture and history. • Wider national reach of NPG programs, in particular through travelling exhibitions and online activities. • Relative increase in visitor numbers and the numbers of school and college groups participating in OPH and NPG education programs. • Major interpretation of key heritage spaces; undertake five OPH exhibitions; two major OPH events; one new OPH tour; two new interpreted spaces; six oral history interviews; seven NPG exhibitions and two NPG seminars; a sponsored NPG anniversary lecture with a speaker of international status; with a range of educational and public events and activities to complement each exhibition. • Relative increase in donations of works of art, project sponsorship and acquisition funds to the NPG. • Research and planning for major projects and completion of the refurbishment of the Australian Federation Centre.
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The Department is responsible for the administration, management and preservation of Old Parliament House (OPH) and the National Portrait Gallery (NPG) which are located in Canberra’s Parliamentary Triangle.

This financial year, OPH celebrated the commemoration of the 75th anniversary of with a program of activities spread throughout the year, including a range of new exhibitions, room openings, debates and other special events. OPH managed the completion of the Australian Federation Centre, including an exhibition area

commemorating the Centenary of the Australian Public Service, which incorporated contributions from all Commonwealth departments and major agencies. The exhibition has been well received by general visitors to OPH. Other highlights include the establishment of the NPG’s ‘friends’ group, the *Circle of Friends*; and presentation of the NPG Anniversary lecture by Michael Kimmelman, Chief Art Critic of the *New York Times* newspaper.

Combined visitor numbers to OPH and NPG were 171 582 during 2001–02, a decrease of 0.5 per cent on the previous year’s figures.

OPH and NPG school and student visitor numbers increased by one per cent from 30 741 in the previous financial year to 31 121 in 2001–02. In the first eight months of 2001–02, OPH experienced a 14 per cent increase in visitors. As a result of a general downturn in visitors to Canberra during the last four months of the reporting period, OPH experienced a small decrease of 0.5 per cent in visitors to the House for the year overall.

OPH and the NPG both presented a range of on-site programs, such as lectures and special events to community and adult groups. The NPG presented on-site programs to 4278 members of such groups, including life-long learners, and off-site programs to a further 1500 people representing a diverse range of community groups both in Australia and New Zealand. These groups were not separately identified in the previous year, but have now been targeted as part of the NPG's program of better understanding its audience, further developing that audience and extending the range of its programs.

Old Parliament House

In accordance with the OPH Interpretation Plan and its listing as a heritage site, an upgrade of the Prime Minister's suite, a number of Senate offices and the Office of the Leader of the Government of the Senate was undertaken and these re-opened during 2001–02. OPH continued to repair and maintain the building in accordance with the Building Master Plan, and developed a Life Cycle Costing Plan, a new and comprehensive long-term program for OPH's maintenance and repair. OPH commenced an access study examining current access arrangements, levels of compliance with current guidelines and possible proposals to upgrade building elements as necessary.

OPH and the NPG took account of a range of social justice and equity issues when designing public and school programs, events, exhibitions and visitor services this financial year. For example, all 140 OPH volunteer guides received specialised training in helping hearing-impaired visitors. Further improvements to front-of-house disabled access were made in 2001–02. NPG Gallery assistants attended training and development programs, specifically to understand the needs of the hearing impaired and the visually impaired.

The NPG has multiple copies of large format labels for visitors with visual impairment.

OPH continued conserving the building in accordance with the 2000 Conservation Management Plan, with a heritage study of the north wing finalised in December 2001, completing a set of comprehensive heritage studies for all areas of the building. These are available through the OPH Resources Centre.

OPH is committed to providing a range of high quality visitor services and public programs targeting the needs and interests of both the general public and specialised markets. In 2001–02, activities such as lectures and complementary events were held in conjunction with major exhibitions, including *A Brush With Politics* and *Our House*. OPH continued development of education programs, holiday workshops and new tours.

OPH staff worked on a wide range of educational and public events and activities this financial year. OPH created a new public tour called *Family Secrets and Stories*, an interactive, family-oriented tour of areas of the building not generally seen by the general public, and completed eight oral histories as part of the oral history program. In the previous year OPH had introduced two new or substantially revised tours and commenced its oral history program, conducting three interviews.

Other achievements include:

Major exhibitions for OPH during the 2001–02 financial year:
<i>Dismissed! Whitlam, Fraser, Kerr and The Story of 1975</i>
<i>A Brush With Politics: The Life and Work of John Frith</i>
<i>Bringing the House Down</i> (in conjunction with the National Museum of Australia)
<i>Smugglers, Customs & Contraband</i> (in conjunction with the National Maritime Museum and the Australian Customs Service)
<i>Icons: Images of 20th Century Architecture</i>
<i>Our House: The Story Of Old Parliament House</i>
Smaller scale exhibitions:
<i>Black Gold: Aboriginal and Torres Strait Islander Sporting Hall of Fame</i> (presented in conjunction with the NPG).
National Schools Banner Competition.
Queen Mother Commemorative Exhibition.
Sir John Gorton Commemorative Exhibition.
In addition, OPH staff presented public programs to complement major exhibitions.

Major events staged by OPH during the financial year:
A re-enactment of the 9 May 1927 official opening.
An 'Open Weekend' on 11–12 May, with free entry and a range of associated activities.
A series of Night Sitzings' debates, discussions and hypotheticals on a range of topical issues.

National Portrait Gallery

The NPG further developed its role as a centre for the understanding of Australian portraiture and history through the presentation of 11 exhibitions, six lectures (including its annual Anniversary lecture), nine seminars and numerous 'floor talks'. This compares with eight exhibitions, three lectures (including the Anniversary Lecture), four seminars and numerous floor talks in 2000–01.

The NPG continued to enhance the national portrait collection, which now consists of 439 works (256 gifts and 183 purchases and commissions). During 2001–02 the NPG acquired 243 works for the permanent collection, an increase of 46 acquisitions from the 2000–01 financial year.

The NPG further broadened its national reach by showing two of its exhibitions at interstate venues These were *William Yang: Australian Chinese*, which was shown at the Ballarat Fine Art Gallery, Victoria, and David Moore's *Face to Face* which was shown at Monash Gallery of Art, Melbourne and Arts Global Link in Ipswich, Queensland. Further enhancements to the NPG website contributed to increased public accessibility of the collection, with approximately two million visits to the site during the year, similar to the levels achieved in 2000–01. Other initiatives that increased the national reach of NPG programs were the establishment of Circle of Friends group and the launch of the group's quarterly magazine, *Portrait*.

A scene from the re-enactment of the 9 May 1927 official opening of Parliament House in Canberra.



Major exhibitions for NPG for the 2001–02 financial year:

Australian Legends—stamps by David Moore

Tête-a-Tête Portraits by Henri Cartier-Bresson

Nolan Heads

Fuzzy Prime Ministers of Australia

Hearts+Heads: Headspace II

William Yang: Australian Chinese

Black Gold: Aboriginal and Torres Strait Islander Sporting Hall of Fame (presented in conjunction with OPH)

So you wanna be a Rock Star?

Intimate Portraits

The Story So Far

Sir William Dargie: 90th Birthday Tribute

The NPG staff presented a range of public programs to complement these exhibitions including public lectures, informal gallery talks and learning programs.

NPG seminars and events for the 2001–02 financial year:

Portraiture: Its History, Development and Collection

Tête-a-Tête Portraits by Henri Cartier-Bresson

Drawing from Life

Life Masks: Mould, replicate and decorate

Silhouette Portraits

Lecture by English portraiture specialist, Dr Francis Borzello

Portraiture and Place (a day-long seminar at the University of Tasmania, Hobart)

Devotional Pose: Student/Artist Collaboration

Black and White: Exploring positive and negative space

Looking at, seeing and curating art

Third anniversary lecture delivered by Mr Michael Kimmelman, Chief Art Critic of The New York Times

In 2001–02, the NPG received 174 artwork gifts valued at \$594 020. In addition, NPG received \$162 792 in cash donations to its trust fund—compared with \$2 875 052 in the previous financial year. This variation is explained by the substantial, one-off donation towards the acquisition of a major work: John Webber's Portrait of Captain James Cook RN valued at \$6.25 million.

Sponsorship plays an important role for the NPG and this financial year cash sponsorships totalled \$63 534, compared with \$47 500 in the previous financial year, an increase of 34 per cent. The NPG also received \$41 643 in grants from private foundations, compared with \$41 550 in 2000–01.

Administered items

Cultural Development Program

Performance indicators	<ul style="list-style-type: none"> • Grant recipients report as appropriate on the range of performances, audience reach, critical acclaim, international response, as well as recognition and achievements of graduating students, and success in increasing corporate sector support for the arts. • Impact of assisted touring cultural activities, festivals and indemnified exhibitions. • Client satisfaction with the Public Lending Right Scheme. • Greater private sector support for the arts, number of organisations participating in Australia Business Arts Foundation (AbaF) training and the number of new sponsorship partnerships created. • Number and geographic range of tours of performance and cultural exhibitions and festivals assisted. • Relative increase in the number of applications for places in training organisations funded by the Department and their states of origin. • Relative increase in the number of graduates of training organisations funded by the Department.
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Through the Cultural Development Program, the Department administered funding of more than \$38 million in support of a range of cultural activities and programs in the 2001–02 financial year. The distribution of funding under this Program is decided by the Minister on the basis of briefings from the Department. Recipients were advised of their allocations by July 2001.

Several key cultural institutions are funded on an ongoing basis under this Program. These include national cultural training organisations, Australian Children’s Television Foundation, Film Australia and the Australia Business Arts Foundation. National touring programs, including Playing Australia, Visions of Australia and Festivals Australia, are also funded through the Cultural Development Program

All funding is accompanied by a contract or a funding deed, which requires rigorous reporting and accountability requirements to be met before each grant payment is made. In the case of larger institutions, such as Film Australia, regular reporting against Business Plan objectives has to be provided.

Seven national arts training organisations received total Commonwealth funding of \$11.25 million this financial year under the Cultural Development Program. These national centres of excellence in performing arts training are the National Institute of Dramatic Art (NIDA), National Institute of Circus Arts, Australian Ballet School (ABS), Australian National Academy of Music, the National Aboriginal and Islander Skills Development Association’s (NAISDA) Dance College, the Flying Fruit Fly Circus (FFFC) and the Australian Youth Orchestra.

The Department managed funding agreements with each of these institutions. Under these agreements, the organisations are required to report on a range of measures, for example, performances, audience reach, critical acclaim, and international response, enabling the effectiveness of their operations to be assessed. Highlights from these reports are outlined below:

- NIDA officially opened its Stage II building this financial year. The Building was largely funded by the Commonwealth through the Federation Fund. NIDA’s acting course was the focus of a nine-part documentary series, *Drama School*, screened on commercial television in August 2001;

- the Australian Ballet School toured Regional Victoria, South Australia and Tasmania in July to August 2001 with *Swan Lake Act III*, *Symphony in D* and *Jabula*, and also performed *Waiting in the Wings* and *Point-Centre-Point* at the Victoria Arts Centre over the Australian summer season;
- the National Institute of Circus Art opened the *Sidney Myer Circus Studio* on the Prahan campus of the Swinburne University of Technology in July 2001 and had its first intake of 34 full-time students in February 2001;
- the Flying Fruit Fly Circus toured Hawaii with *The Gift* and performed the *Stepping Stones in Circus Dust* Tour for Indigenous communities in Far North Queensland;
- the Australian Youth Orchestra toured Europe in July and August 2001; and
- representatives of the Australian National Academy of Music participated in International Festival *Musici Artis* in Brussels in April 2001.

As shown in Table 1, there were a total of 91 arts training organisation graduates in 2001. This Table excludes the Australian Youth Orchestra and the Australian National Academy of Music, as they are not degree granting organisations and the National Institute of Circus Arts as its first intake of students will not be graduating until 2003.

Table 1: Graduates of the arts training organisations in 2000 and 2001 (by institution)

	Graduates 2000	Graduates 2001
NIDA	60	54
ABS	26	21
FFFC	12	8
NAISDA	5	8
Total	103	91

In total, the training organisations received 3561 applications for placement, an increase over the previous year of 16 per cent. There were 754 successful applicants, representing an increase of 32 per cent over the previous year.

Table 2: Successful applicants for places in the arts training organisations in 2000 and 2001 (by state)

	2000	2001
NSW	211	209
VIC	127	182
QLD	80	167
SA	33	53
WA	59	66
NT	3	9
TAS	20	22
ACT	37	46
Total	570	754

The Department achieved 100 per cent compliance in providing payments to the organisations within 30 days of receiving the specified reports. All institutions have expressed satisfaction with the level of assistance provided by the officers of the Department responsible for overseeing delivery of this Commonwealth funding.

Assistance to extend normal touring patterns for exhibitions and performing arts, and support for cultural components within community festivals, continued to provide a diverse range of cultural activities for all Australians, particularly in regional communities.

Specialist advisory committees, appointed by the Minister for the Arts and Sport, assessed touring and festival grant applications against approved guidelines and made recommendations to the Minister on which projects should be approved.

The Playing Australia Program assisted 36 performing arts tours from a total of 84 applications, with grant allocations of \$3.8 million in 2001–02. This compared to 43 successful applicants in 2000–01 out of a total of 85 applications. This financial year, 31 productions toured regional areas of the country, comprising 24 touring and seven start-up projects. Commonwealth grants made through the Playing Australia program enabled tours such as the Buzz Dance Theatre’s *Rumpelstiltskin*, receiving \$94 202, and the Australian String Quartet, receiving \$41 735, to travel extensively in Australia during the year.



The Minister for the Arts and Sport, Senator Kemp, presenting the National Institute of Circus Art Achievement Award to Tully Fedorowjtsch after his performance in the student production, *Wild Things*, Melbourne, December 2001.

Visions of Australia funded 34 exhibitions out of 72 applications through grants totalling \$1.75 million, with 140 visits to regional venues in all States and Territories. The exhibitions funded included 24 touring and ten development or start-up projects. While there have been slightly fewer grants awarded this year compared to last year, there have been more visits to regional venues. Examples include the Grafton Regional Gallery's exhibition *Imaging identity and place*, which explored personal identity and sense of place in the work of nine contemporary artists, and the Queensland Museum's *Intimate Aliens*.

From 205 applications, Festivals Australia assisted 72 regional and community festivals, compared with 61 grantees from 210 applicants in 2000–01. Festivals Australia received a total of \$1 million in Commonwealth funding this financial year. An estimated 86 per cent of Program funds were distributed to regional or remote communities. Support was provided to community festivals such as the *Con Amore! Three Chinese Tenors* festival in Ingham, the Tennant Creek Town Council's Desert Harmony Festival, which empowered young people through performing arts projects, and the Australian Film Commission's national Big Screen 2002 tour to 18 regional centres across the country.

Through staff participation in a number of industry forums, the Department received positive feedback on its administration of these programs.

Clients also expressed, through the Department's client survey, a high level of satisfaction with the operation and management of the Public Lending Right Scheme.

The AbaF received funding of \$1.6 million for four years from 2001–02 to continue its work of increasing private sector support for the arts by developing strategic partnerships between business and arts organisations. Work undertaken by AbaF this financial year compared with results from the previous year is represented in Table 3.

Table 3: Comparison of AbaF work in 2000–01 and 2001–02.

	2000–01	2001–02
Training workshops on Business Arts Partnerships and associated skills development.	190	126
Formal presentations to business by representatives of arts organisations, demonstrating the benefits their organisations can offer a corporate partner.	10	74
Introductions of business to arts representatives and to the benefits an arts partnership can bring.	60	379
Business arts partnerships directly assisted.	25	40

Book Industry Assistance Plan

Performance indicators	<ul style="list-style-type: none"> • Client satisfaction with the Education Lending Right Scheme. • Production by the Australian Bureau of Statistics of book publishing and retailing surveys under the Plan's Statistics Program.
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The four-year Book Industry Assistance Plan comprises a number of initiatives including the Education Lending Right (ELR) scheme and the Book Industry Statistics initiative. The ELR scheme makes payments to eligible Australian creators and publishers whose books are held in educational lending libraries, complementing the PLR scheme, which covers public lending libraries. Through the Department's client survey, clients expressed a high level of satisfaction with the operation and management of the ELR scheme.

This financial year, about 6900 eligible creators and publishers received funding totalling \$8.4 million through ELR, with total funding of \$38 million over four years from 1 July 2000–30 June 2004.

Under the Book Industry Statistics initiative, the Department contracted the Australian Bureau of Statistics (ABS) to conduct surveys of the book publishing and book retailing industries. The ABS published the 1999–2000 Book Publishers survey in August 2001 after undertaking survey work during 2000–01. Survey work for the 2000–01 Book Publishers and Book Retailers surveys was undertaken during 2001–02, with these surveys scheduled for release in the first half of 2002–03. The surveys will provide an unprecedented statistical time series of these industries. The book retailers survey will be the first produced by the ABS.

Federation Fund grants

Performance indicators	<ul style="list-style-type: none"> • Compliance of Grant Deeds or Memoranda of Understanding (MOU) under the Federation Fund programs with Commonwealth and State environment, heritage, construction and audit requirements. • Proportion of Federation Fund Projects completed in accordance with program objectives, and extent of that completion.
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The Federation Fund provided \$434 million to contribute to the enhancement of Australia's cultural heritage, through a range of large and small infrastructure projects across the country and to help celebrate the Centenary of Federation. The Program was announced in 1998 with projects generally commencing in 1999 and were expected to be completed or substantially completed by the end of 2001, the Centenary year. All grants deeds and MOUs contain clauses requiring compliance with appropriate environment and heritage laws and with the National Code of Practice for the Construction Industry.

The Department monitors program compliance when progress reports are submitted by grantees, and progressive funding payments are made only when compliance is confirmed.

In its Audit Report No 11 2001–02, *Administration of the Federation Fund Program*, the Australian National Audit Office (ANAO) found the Department's program management was generally sound and its grant deeds satisfied ANAO requirements. The ANAO identified initial departmental management of one project—the Australian Centre for Christianity and Culture—as inadequate because funds were paid ahead of need and items were allowed to vary from budget projections without adequate explanation.

The Department responded by taking appropriate management action to address the earlier shortcomings. This included negotiating revised expenditure in line with the agreed budget, working with the grantee to ensure financial reporting met program requirements and holding several face-to-face meetings with the grantee to reiterate Commonwealth requirements in terms of progress and reporting. The ANAO acknowledged the Department's measures addressed its concerns.

Of the 17 Major Federation Fund projects which the Department manages, 11 are completed. One outstanding project, consisting of 16 smaller projects, has 15 of the 16 sub-projects completed. Of the 28 Federation Cultural and Heritage Program projects managed by the Department, 24 are completed. Of the 1003 Federation Community Program projects, 858 are completed. In line with Program objectives, which specified projects should be complete or substantially complete by 31 December 2001, the Department has been working with grantees to try to ensure all remaining projects are completed as soon as possible.

A further objective was to increase the awareness of and celebrate the Centenary of Federation. Almost all the large projects and many of the small community projects held events throughout 2001 to celebrate the Centenary. The Department also put considerable effort in publicity and media work including an advertising campaign, a dedicated website, press releases, media kits and magazine articles.

National Recreation Safety

Performance indicators

- Funding allocated in accordance with agreed priorities.
- Compliance with grant conditions.
- Funding fully allocated to stakeholders in a timely manner.

The Department administers \$1.956 million per annum of Commonwealth funding to organisations supporting the National Water Safety Plan and Alpine Safety. In accordance with Commonwealth priorities, base funding was allocated to the National Recreation Safety Organisation in August 2001 and Special Project Funding was allocated in October 2001.

Grants were provided to three peak water safety organisations including Surf Life Saving Australia (\$1.191 million), Royal Life Saving Australia (\$587 000) and AustSwim (\$145 000), whose initiatives focus on water safety research, management of aquatic locations, water safety education, and drowning reductions in high-risk groups (children aged 0–5years).

Support was also provided to these organisations to undertake special projects in line with the National Water Safety Plan, including the Royal Life Saving Society Australia for the Rural and Regional Water Safety Education Program, AustSwim for training courses in remote locations with a particular emphasis on Indigenous communities, and Surf Life Saving Australia to increase patrolling capabilities.

This financial year, the Australian Ski Patrol Association received a funding grant of \$33 000 under this Program to meet the Commonwealth's overarching objective of reducing the number of skiing accidents in Australia and enabling all Australians to safely participate in and enjoy alpine activities.

All recipients provided the Department with a copy of the organisation's strategic business plan which identifies links between the organisation's goals and the National Water Safety Plan, or the Commonwealth Government objectives in terms of skiing and alpine recreation safety, as appropriate. The grantees provided regular reports on expenditure of funds that demonstrated compliance with their respective Commonwealth grant agreement. Each year the organisations also provide a Yearly Action Plan which clearly identifies the tasks to be undertaken with grant funds during that year.

Sport and Recreation Program (Anti-doping)

Performance indicators	<ul style="list-style-type: none">• Compliance with grant conditions.• Funding fully allocated to stakeholders in a timely manner.
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The Department is administering \$7.4 million over four years from 2001–02 to 2004–05 for anti-doping initiatives in sport in Australia. The three key elements of the Sport and Recreation (Anti-doping) Program are improving drug detection research, implementing international best practice in testing, and encouraging international collaboration.

The Department allocated \$1.85 million of funding to stakeholders in the second half of this financial year. This timing was understood and agreed by the recipients. The Commonwealth could not determine its allocations until the 2002 Budget for the World Anti-Doping Agency (WADA) was endorsed in December 2001. The allocations comprised \$700 000 to the Australian Sports Drug Agency for Erythropoetin (EPO) test implementation, \$785 000 to the Australian Scientific Drug Testing Laboratory for its research program, and \$360 000 contribution to the WADA.

Grant recipients complied with the terms of their Commonwealth agreements and provided regular reports on expenditure of funds

Evaluations

Return of Indigenous Cultural Property Program

A preliminary evaluation undertaken in 2001 found the implementation of this Program had been particularly complex and progress slow due to a range of cultural and logistical issues.

As a result of this finding, a recommendation to extend the Program will be made to the 2003 Cultural Ministers Council.

Acton Peninsula Project

The evaluation had three components—a report on the maintenance of the design integrity of the original project, a report on the quality outcomes of the project, and a report on comparative costs of the Acton project and some other Australian cultural construction projects. The findings include that:

- the design integrity of the project had been maintained;
- the overall quality of the project was outstanding; and
- while there were considerable on costs (i.e. costs not directly attributable to the actual construction) associated with the setting up and running of the project, these could be attributed to the Commonwealth using alliancing as a project delivery method for the first time.

Key recommendations from the evaluation include:

- if the Commonwealth uses alliancing as a project delivery method for construction projects in the future, it should look to improve value for money in the relevant areas while at the same time maintaining the benefits flowing to the Acton arrangement.

Outcome 2

Competitive and effective communications and information technology industries and services and improved access to Government information.

Resources for outcomes → Outcome 2

	(1) Budget* 2001–02 \$'000	(2) Actual expenses 2001–02 \$'000	Variation (column 2 minus column 1) \$'000	Budget** 2002–03 \$'000
Administered expenses (including third party outputs)	434 751	361 306	(73 445)	356 237
Total administered expenses	434 751	361 306	(73 445)	356 237
Price of Departmental outputs				
Output 2.1 Strategic advice, policy and programs to achieve competitive and effective communications and information technology industry and services	66 018	61 731	(4 287)	51 751
Revenue from Government (appropriation) for Departmental outputs	54 588	51 836	(2 752)	48 264
Revenue from other sources	11 430	9 895	(1 535)	3 487
Total price of outputs	66 018	61 731	(4 287)	51 751
TOTAL FOR OUTCOME 2 (Total price of outputs and administered expenses)	500 769	423 037	(77 732)	407 988

* Full-year budget, including additional estimates

** Budget prior to additional estimates

Average staffing level	2001–02	2002–03
	307	307

Performance indicator	PBS page reference	AR page reference
Departmental outputs		
Output 2.1: Strategic advice, policy and programs to achieve competitive and effective communications and information technology industries and services.	54	50
Administered items		
Regional Telecommunications Infrastructure Fund	53	60
Telstra Social Bonus 2	53	63
National Relay Service	53	67
Universal Service Levy	53	70
ABC and SBS Digital Interference Subsidy	53	70
National Transmission Network Residual Funding Pool	53	71
Federation Fund grants—Commonwealth Technology Port	53	71
Compensation to Société Internationale de Télécommunications Aéronautiques	54	71
Government response to the Telecommunications Service Inquiry	54	72
Administered appropriations not reflected in the 2001–02 performance indicators		
International organisations contributions	50	75
Australia's response to foot and mouth disease and other quarantine risks	49	76
Evaluations		
Enterprise and Radiocommunications—Productivity Commission Review of Market Based Spectrum Management Reform and Associated Regulatory Activities	55	76
Review of Community Broadcasting Funding Initiatives—Infrastructure and Multicultural Programming	55	76

Outcome 2

Competitive and effective communications and information technology industries and services and improved access to Government information.

Departmental outputs

Output 2.1: Strategic advice, policy and programs to achieve competitive and effective communications and formation technology industries and services.

Performance indicators	<ul style="list-style-type: none">• Timeliness, practicality and relevance of advice and draft legislation supported by accurate research.• Stakeholder satisfaction with consultation processes.• Efficiency and timeliness of program administration.• Tenders conducted with probity.• Timeliness and comprehensiveness of responses to reviews and proposals.• Client satisfaction with fee-for-service consultancies.• Government expressions of interest (EOI) or tender accountability requirements met.• Commonwealth funding agreement outcomes achieved.• Percentage of program funding applications administered in accordance with guidelines.• Percentage of levies collected and paid in accordance with established processes.• Amount of repeat business for fee-for-service consultancies.• Development and maintenance of a workable and modern intellectual property regime.
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Overview

Research and analysis into the competitiveness and effectiveness of communications and information technology industries and services underpin the Department’s policy and program development processes. The range of policy and program options developed and considered are informed by a sound understanding and knowledge of the dynamics of the communications and information technology industries and the interaction of many influences.

The Department’s involvement with key bodies influencing communications and information technology industries and services is paramount

to the success of its policy and program development. This output group identifies and addresses targeted areas within these industries in order to improve the design and implementation of related policies and programs.

There are three organisational groups contributing to the achievement of outputs for Output 2.1: Telecommunications, Broadcasting and Intellectual Property and Information and Communications Technology. The analysis and discussion of the Department’s performance for departmental outputs under Outcome 2 follows.

Telecommunications

During this reporting period, one of the Department's key roles was providing strategic advice on telecommunications and postal policy to the Minister for Communications, Information Technology and the Arts, developing regulatory instruments and administering a broad range of programs for communications services, the bulk of which are directed towards developing telecommunications services in regional, rural and remote Australia.

The Department places a high priority on having its policy, legislative and program delivery role supported by a strong research base. Accordingly, it continued to resource a dedicated research team known as the Communications Research Unit.

During 2001–02, major influences in the telecommunications policy environment included continuing technological change such as strong demand for mobile services and an increasing focus on higher bandwidth data (broadband) services. Other influences included a more difficult trading and capital-raising environment, especially for newer suppliers, and the implementation of the Government's response to the Telecommunications Services Inquiry (TSI).

Discussion of the Department's performance against this output in 2001–02 follows.

Policy and Departmental programs

The Department continued to provide timely, accurate and comprehensive advice to the Minister for Communications, Information Technology and the Arts in relation to a wide range of policy and regulatory matters including the preparation of policy advice, Ministerial correspondence and question time briefs. The Department also provided shareholder advice to the Minister for Communications, Information Technology and the Arts about the performance of Australia Post and Telstra.

This reporting period, the Department undertook a range of research and policy tasks including in the areas of competition, radiocommunications, broadband, postal policy, carrier powers and immunities, law enforcement and national security, and international and consumer issues.

Competition

In particular, the Department provided advice on the implementation of the Government's decision to streamline the telecommunications access regime in the Trade Practices Act, development of the Government's response to the Productivity Commission Report on telecommunications competition regulation, and competition policy issues associated with the development of broadband services.

The Department also contributed to a significant package of regulatory reforms and the Productivity Commission Report on Telecommunications Competition Regulation Response (discussed as part of the Consultation section of this performance report).

Broadband

This reporting period, the Department continued to provide advice on broadband infrastructure and competition issues. It produced a 'snapshot' paper on the current state of the broadband market, which was published on the Internet in September 2001, and worked on a number of papers provided to the Broadband Advisory Group which was established by the Minister in March 2002.

Postal policy

The Department prepared a series of postal policy initiatives encompassing the Government's election commitments. These initiatives were under consideration by the Government at the end of the reporting period. Implementation of these initiatives is expected in the coming financial year.

Carrier powers and immunities

The Department provided advice to the Minister on the installation of telecommunications infrastructure and exercised various powers under Schedule 3 to the *Telecommunications Act 1997*.

During 2001–02, the Department drafted the *Telecommunications Code of Practice 1997 (Amendment No. 1 of 2002)*, issued 3 April 2002, requiring telecommunications carriers to refer all unresolved complaints to the Telecommunications Industry Ombudsman (TIO) on request.

Law enforcement and national security

The Department provided advice to the Minister on telecommunications and radiocommunications matters about law enforcement and national security, including those relating to Parts 13–15 of the *Telecommunications Act 1997*. The Department consulted with relevant stakeholders through its involvement on the Law Enforcement Advisory Committee to the Australian Communications Authority.

International

In consultation with the Department of Foreign Affairs and Trade, the Department represents Australia's interests on telecommunications, radiocommunications and postal issues. The major international forums include the International Telecommunications Union (ITU), the Asia-Pacific Telecommunity (APT), the Universal Postal Union, the Asia-Pacific Economic Cooperation (APEC) and the World Trade Organisation.

Significant work in the international area includes:

- contributing to the ITU Working Group on reform and proposing changes to the ITU constitution and the International Telecommunications Regulations to improve the structure and functionality of the ITU; and making a substantial contribution to issues of international telecommunications charging and related economic issues through chairing the ITU Telecommunications Study Group 3;
- providing leadership in the development of amendments to facilitate new communication platform traffic exchange by chairing the APEC Telecommunications Working Group; and
- pursuing reform of APT institutional arrangements.

Consumer issues

The Department provided advice and oversaw a range of measures intended to protect consumers and to facilitate equal access to telecommunications services for people with disabilities. The Department also worked on a range of new measures with particular relevance to regional, rural and remote Australia.

The Department consulted key stakeholders, including carriers and consumer groups, and provided advice on price control arrangements for Telstra, to apply from 1 July 2002 to 30 June 2005. Necessary subordinated legislation, including a new price control determination and a carrier licence declaration imposing certain requirements on Telstra in relation to protection of low-income consumers, was also implemented.

As part of its response to the TSI report, the Government allocated a further \$3.4 million over four years from 1 July 2002 to continue funding consumer representation and research under the section 593 of the *Telecommunications Act 1997*.

In August 2001, the Minister approved grants for the 2001–02 financial year totalling more than \$647 000 for consumer representation of telecommunications issues. The grants were made under section 593 of the *Telecommunications Act 1997*. Grants were awarded to six consumer bodies representing the telecommunications needs of a range of groups within the community, including people with disabilities, small business and residential consumers.

In June 2002, the Minister approved grants of \$700 000 for 14 projects for consumer representation for the 2002–03 financial year. Nine of the grants are being provided to groups promoting access to telecommunications services for people with disabilities—a commitment made under the TSI.

Also, in June 2002, the Department called for research grant applications under section 593 of the *Telecommunications Act 1997* to be funded from 2001–02 allocations. Program guidelines were updated to target priority research topics in the telecommunications field.

Communications and arts research

The Department's Communications Research Unit (CRU) provided a range of strategic communications and arts research services and products to support the policy and program development work of the organisation this reporting period.

This included telecommunications industry modelling, geospatial mapping, statistics, philanthropy and governance issues. Research work ranged from telecommunications issues like price caps, low income usage of telephone services, Universal Service Obligation (USO) and accounting separation, through to the assessment of the impact of cultural activities and programs in regional Australia. The CRU also examined the cost of Australia Post's community service obligations and a range of intellectual property issues.

There was a marked increase in demand for communications research services and products this financial year, and the CRU redirected services to ensure the quality and effectiveness of its research work.

Communications research was also a significant component of the first stage of the Departmental-NOIE study of clusters in digital content industries released in May 2002.

The Department hosted the ninth annual Communications Research Forum in Canberra during October 2001, with 170 participants drawn from universities, industry and government agencies. Feedback on the Forum indicated it was an excellent opportunity for the exchange of ideas and research findings and discussion of recent policy developments in various aspects of communications.

Repeat business for fee-for-service consultancies

Commonwealth agencies with an interest in telecommunications use the CRU, because of its analytical expertise, to complete high quality work on a fee-for-service basis. The CRU completed three projects related to the telecommunications sector on a fee-for-service basis. Two of these projects were repeat business from the previous year and are annual tasks.

The CRU undertook fee-for-service communications research consultancies for the Australian Communications Authority (ACA) and the Australian Competition and Consumer Commission (ACCC) to help in their reporting requirements under the *Telecommunications Act 1997* and the *Trade Practices Act 1974*.

Consultation

The Department engaged communications sector representatives on a range of telecommunications issues during this reporting period. This engagement ranged from stakeholder consultations in developing advice on the Government's response to the ACCC's price controls report and the Productivity Commission's report on telecommunications competition, through to the development of legislative amendments for the Telecommunications Access Regime, and negotiations with the Australian delegation on a proposed Free Trade Agreement between Australia and Singapore.

Other key consultations undertaken by the Department this financial year include the Regional Communications Working Group of Online Council, involving State and Commonwealth regional information technology representatives. Meetings were held in August 2001 and March 2002. The Department conducted an extensive study of Indigenous telecommunications needs as part of the Government's response to the TSI to inform the development and implementation of the Telecommunications Action Plan for Remote Indigenous Communities (TAPRIC).

The Department liaised regularly with the ACA and the ACCC on a wide range of policy issues throughout the 2001–02 financial year and is represented on bodies such as the Law Enforcement Advisory Committee.



Members of the Department's Telecommunications Division. From L to R, seated, Katherine Jackson and Issay Cholajatom standing, Paco Iglesias and Phillip Mason.

Response to reviews and proposals

During 2001–02, the Department provided strategic advice in a timely and comprehensive manner for its contribution to the Government's response to a number of reviews and proposals. These included the TSI, the ACCC report on its review of Telstra price controls, the Productivity Commission (PC) report on Telecommunications Competition Regulation, the Radiocommunications Review and the Productivity Commission's Radiocommunications Inquiry.

Productivity Commission Report on Telecommunications Competition Regulation

The PC's report on *Telecommunications Competition Regulation* was requested by the Treasurer to review telecommunications-specific competition regulation and was released for public comments in December 2001.

The Department provided advice on the Government's response to the Report, including conducting a consultation process with a range of stakeholders via submissions and hosting two industry fora in early March 2002.

In late April, the Government announced its response to the PC Report. In particular, the Government indicated that it would amend the telecommunications-specific competition regime in the *Trade Practices Act 1974* to facilitate timely access to basic telecommunications services and to encourage a more transparent regulatory market by requiring accounting separation of Telstra's wholesale and retail operations.

Broadcasting

The Department provides policy advice and contributes to the development of legislation affecting television, radio and online content regulation. The Department's role also includes oversight of the development of digital television, administration of programs extending the reach of broadcasting services across the country and provision of ongoing advice about the Commonwealth Government's systems for regulating offensive and illegal online content under the *Broadcasting Services Act 1992*.

The nature of policy advice and analysis outputs during the 2001–02 year was varied. Discussion about the major results and achievements for this financial year follows.

Licensed broadcasting

The Department provided advice to the Minister on regulations and issues affecting commercial radio and television broadcasters, pay television broadcasters and narrowcasters, and liaised with the Australian Broadcasting Authority (ABA) and the ACA across a range of issues affecting most licensed broadcasters.

Media ownership legislation

During the reporting period, the Department provided advice for the preparation of the *Broadcasting Services Amendment (Media Ownership) Bill 2002*, introduced by the Minister in Parliament on 21 March 2002. The Bill realises the Government's election commitment to reform the media ownership regime in Australia.

Commercial free-to-air and pay television

The Department prepared advice to the Minister about the ongoing operation of the anti-siphoning and anti-hoarding regimes, including the de-listing of the Australian cricket tours of South Africa and Zimbabwe and the addition of the Socceroos qualifying matches for the 2002 FIFA World Cup.

At the request of the Minister, the Department initiated a review of the anti-hoarding provisions of the BSA as required under section 146S of the *Broadcasting Services Act 1992*. The Department also provided advice on the anti-hoarding provisions for the delayed telecast of the World Cup soccer in Australia's central-western time zones.

Commercial radio broadcasting and narrowcasting

This reporting period, the Department provided advice to the Minister on a range of matters affecting radio broadcasters, including the establishment of a new licence renewal fee scheme for High Power Open Narrowcasters (HPONs) which better reflects the value of the spectrum occupied by these services.

The Department contributed to the Government's response to the House of Representatives Standing Committee on Communications, Transport and the Arts report *Regional Racing Radio Services*. The Government's response was tabled on 26 September 2001.

The Department provided advice to the Minister to progress implementation of the Commercial Radio Blackspots Program. The Program, announced in the 2002–03 Budget, provides \$5 million of financial assistance over three years (commencing 2002–03) to extend commercial radio coverage in areas of regional and remote Australia where it is not commercially viable for licensees to provide coverage.

Online Content Co-regulatory Scheme

The Commonwealth Government's Online Content Co-regulatory Scheme addresses community concerns about the illegal and offensive nature of some online material and the ease with which it can be accessed—particularly by children.

In May 2002, the Minister requested the Department commence a review of the operation of Schedule 5 (Online Services) of the *Broadcasting Services Act 1992* regulating Internet Service Providers and Internet Content Hosts. The Department is also reviewing the associated public awareness and education initiatives as part of this request.

Following advice from the ABA and the Department, the Minister introduced amendments to the *Freedom Of Information Act 1982* in Parliament on 27 June 2002 to exempt documents containing prohibited or potentially prohibited content or which would facilitate access to such documents.

Public broadcasting

The Department provides policy advice about the national broadcasters and community broadcasting, particularly in relation to funding, accountability and transmission issues. Some of the more significant issues are discussed below. Administration of the Television Fund and the National Transmission Network Residual Funding Pool is discussed in the performance report under the Administered items for Outcome 2.

Community television

The Department undertook the statutory review of the digital transmission of community television (CTV), required under clause 60C of Schedule 4 to the *Broadcasting Services Act 1992*. The Report was prepared by the Department and tabled by the Minister in Parliament on 18 June 2002.

National radio broadcasting

Following consultation with the ABA and Australian Broadcasting Corporation (ABC), the Department prepared an instrument updating the previous Ministerial reservation of spectrum for national broadcaster radio services under section 31 of the *Broadcasting Services Act 1992*. The reservation instrument was Gazetted on 12 June 2002 and tabled in Parliament on 17 June 2002.

Extension of television and radio services

In response to a request by the Minister, the Department, working with Special Broadcasting Services (SBS) and the ABA, developed proposals for Government consideration to extend SBS television transmission to areas with more than 5000 people. The Government subsequently approved funding in the 2002–03 Budget.

Sale of the National Transmission Network

Working closely with the national broadcasters, the Department provided the Minister with advice on whether the Government should consent to the proposed sale of ntl Australia Pty Limited (the owner of the National Transmission Network) to a subsidiary of the Macquarie Bank Limited. On 27 March 2002, the Government approved the proposed sale, subject to a number of conditions ensuring that the sale had no material affect on the continued delivery of ABC and SBS services and on other parties' access to the National Transmission Network.

ABC-Telstra Online Report

The Department assisted in developing the Government's response to the ABC-Telstra Online Report by the Senate Environment, Communications, Information Technology and the Arts References Committee. The Minister tabled this response on 15 October 2001.

Other initiatives

During this reporting period, the Department provided advice to the Government about the continued rollout of SBS' digital transmission to regional areas, and the ABA issued 26 new community broadcasting licences, bringing the total number of permanent licences to 232.

The Department also facilitated SBS's application for a \$24 million off-budget loan to the end of the financial year. The loan, for SBS's Artarmon premises, will be brought on-Budget in 2002–03.



Members of the Broadcasting and Intellectual Property Division from L to R, standing, Andrew Mitchell, Elizabeth Vigours, Rachel Baker, Susan Page (Chief General Manager), Jen Levy, Martin Hiscutt, seated, Anne Davey and Keith Malcolm.

Digital broadcasting

The Department continued implementing the Government's digital broadcasting legislative framework, monitored rollout of digital services in Australia and local and international progress in consumer take-up of digital television services, and provided advice to the Government on these issues. The Department's role in relation to management of interference from digital television transmission, including the ABC and SBS Digital Interference Subsidy, is discussed in the performance report under the Administered items for Outcome 2.

Consultation

The Department engaged in an ongoing discussion with broadcasting sector representatives about digital television issues including the statutory review of the spectrum allocation powers of the ABA, and the potential for developing a common set top box system capable of receiving both free-to-air and pay TV digital services.

During the year, the Department participated in the Free-to-Air Digital Television Strategy Group as an observer. The Group, comprising representatives of the free-to-air broadcasting industry, is developing industry arrangements for the introduction of enhanced free-to-air digital television services including interactive services.

Spectrum allocation powers of the ABA review

The Department conducted a review of the Spectrum Allocation Powers of the ABA. The review is a statutory requirement under paragraph 59A(1) of Schedule 4 to the *Broadcasting Services Act 1992*. The review was tabled by the Minister for Communications, Information Technology and the Arts in both Houses of Parliament on 14 and 19 March 2002.

The Department consulted widely with industry and relevant agencies in completing this review and the subsequent report.

Datacasting review

The Department initiated a statutory review of the regulation of datacasting services required under Clause 61(1) of Schedule 6 of the Act.

The Department released an issues paper in December 2001 as the basis for public and industry consultation. The Minister's report of the review is expected to be finalised in the second half of 2002 and will be tabled in both Houses of Parliament within 15 sitting days of completion.

National digital television transmission

The Department assisted with the development of new regulations under the *Broadcasting Services Act 1992* providing an arbitration process for resolving disputes about access to transmission facilities for installing digital television and datacasting services.

To facilitate this process, the Department consulted extensively with the ACCC and key stakeholders. The regulations came into effect on 20 September 2001.

Digital television in regional Australia

The Department oversees the Regional Equalisation Plan. Over the next 13 years, up to \$255 million in financial assistance will be provided to commercial television broadcasters undertaking the digital conversion process. This assistance is made available predominantly in the form of rebates on the licence fees paid to the ABA. In 2001–02, these payments totalled \$20.3 million.

The Department provided advice to the Minister on the basis of extensive consultations with commercial broadcasters about digital conversion requirements to apply in some remote commercial television licence areas, the provision of additional services in underserved markets, and the scope for providing advance funding under the Plan.

Intellectual property

Copyright legislation development

The Department continued to develop three major proposals in conjunction with the Attorney-General's Department under the *Copyright Act 1968*.

The proposals provide a model for providing new rights for audio performers and film directors, extending the current term of photographers' copyright, and strengthening the protection of Indigenous arts and cultural expression through the creation of Indigenous communal moral rights. They also extend the legal deposit provisions of the *Copyright Act 1968* to include audiovisual and electronic materials held by Commonwealth cultural institutions.

Parallel importation

The *Copyright Amendment (Parallel Importation) Bill 2002* was introduced into the House of Representatives on 13 March 2002. The Bill allows the parallel importation and subsequent distribution of printed material and computer software products.

The Department undertook extensive consultation with key stakeholders and regulatory bodies in preparing the legislation and striking a balance between the interests of creators, consumers and industry. The Department also drew on existing reports from Copyright Law Review Committee, the ACCC and the Intellectual Property and Competition Review Committee.

Other achievements

Other key achievements in intellectual property rights include the release of Government's response to the *Intellectual Property and Competition Review Committee Report* recommendations and the development and adoption of the Voluntary Code of Conduct for Copyright Collecting Societies in response to the House of Representatives Standing Committee for Legal and Constitutional Affairs *Don't stop the Music! Report*.

During the reporting period, the Department also processed 1402 requests to reproduce published Commonwealth copyright material. All requests were acknowledged and/or received a response within five working days.

Information and communications technology

The Department is facilitating the development of Australia's ICT industries through a range of Commonwealth initiatives. These complement the suite of ICT industry development expenditure programs administered by the Department, discussed in this performance report as part of the Administered Items.

Together with the macro-economic policies and general industry development mechanisms administered by other Commonwealth departments and agencies, these initiatives constitute the Government's framework for innovation in Australia's ICT sector. During 2001–02 the Department was also responsible for initiatives relating to access to government information.

ICT Framework for the Future

The Government announced the implementation of the ICT Framework for the Future (F3) in February 2002. The Framework will develop a comprehensive understanding of current Australian ICT industry capabilities and a shared stakeholder view of key future directions and opportunities for the sector.

Key stakeholders, including the industry, research community and state/territory governments, have expressed broad support for the progress made since the February 2002 announcement.

In April 2002, the Department helped to establish the high-level F3 steering committee, its two working groups and key support structures.

The Department is conducting a range of ongoing consultations with interested stakeholders across the country, including SMEs, peak bodies, state and territory government, and research and academic communities. The Steering Committee is expected to report by the end of 2002.

Industry Development Arrangements

The Strategic Partnership Industry Development Agreements Program (SPIDA) and its forerunner, the Partnerships for Development Program, provided a formal mechanism for leveraging ICT industry development from Commonwealth procurement. The program was superseded by voluntary industry development guidelines announced on 21 June 2002, setting out the Government's expectations for strategic industry development activities by its ICT suppliers. The revised arrangements were complemented by the introduction of new initiatives directed at enhancing the access of SMEs to the Government ICT market (see report immediately following).

Information technology outsourcing and major contracts industry development

The Department administers the industry development policy framework for major ICT procurement. Under the arrangements announced by the Government on 21 June 2002, Commonwealth agencies will be required to ensure that contract tenders valued at \$20 million or more, meet SME participation levels set for broad categories of ICT products and services.

In addition, the Department oversees the implementation of industry development commitments made by five prime contractors under the Commonwealth's former information technology (IT) outsourcing arrangements.

Key industry development outcomes from the five IT outsourcing contracts for 2000–01 include SMEs providing \$122 million in services or 36 per cent of the contractual value, Australian value added activities reaching 83 per cent of total services charges, achieving investment of \$41 million and exports over \$72 million across a range of initiatives unrelated to the delivery of the outsourced IT services, and creating 1054 new IT and support jobs—of which 398 were located outside Melbourne and Sydney.

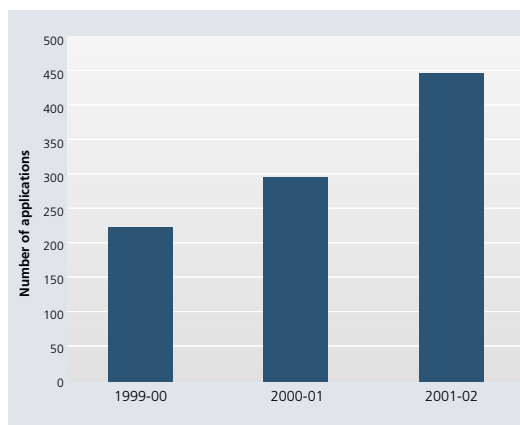
Endorsed Supplier Arrangement

The Department of Finance and Administration (DOFA) and the Department jointly administer the Endorsed Supplier Arrangement (ESA) which sets 'pre-qualification' requirements for all ICT suppliers to the Commonwealth. The Department manages the industry development requirements of the Program.

This financial year, the ESA management information system, jointly developed by DOFA and the Department, produced significant gains in processing time and reduced administration costs, and was awarded a Gold Award at the 2002 Technology in Government awards.

For the year 2001–02, the Department received a total of 448 applications and finalised 446, with 98 per cent of applications finalised within the six week timeframe requested by DOFA.

Graph 4: Number of ESA applications finalised from 1999–2000 to 2001–02



ICT SMEs facilitation package

Announced on 21 June 2002, the ICT SME Facilitation Package will help SMEs to access a greater share of the Government ICT market, including the establishment of alliances with key players in the sector and improving access to Government ICT market place information.

The Department helped to establish a joint Government-industry advisory body for this initiative and the first meeting was held on 21 June 2002.

Telecommunications Carrier Industry Development Plans

The Department administers carrier Industry Development Plans (IDPs), a licensing requirement of the *Telecommunications Act 1997*. The IDPs contribute to the growth of the telecommunications industry while ensuring carrier business activities remain strategic and commercial.

All carriers must have an IDP in place prior to being licensed. The Department progressed 27 new IDPs through to final approval by the Minister during the year.

The Department compiled information about carrier activities for the previous year (2000–01) and these were issued in the form of an IDP Progress Report. The Report was tabled in the Parliament in February 2002 and set out industry spending items such as telecommunications infrastructure, staff training and research and development.

A review of the guidelines relating to the submission and administration of IDPs was carried out during the year, and the Minister gazetted arrangements designed to streamline the IDP process in September 2001.

Departmental programs

The Department conducted the fifth and final round of the Test-IT program this reporting period, with a grant made to Vision Australia to establish an accessibility testing service for ICT products and services. This program assists with the development of the testing and conformance infrastructure for the ICT industry in Australia. In 2001–02, grant recipients received \$700 000 compared with \$1.5 million in the previous financial year.

During this reporting period, the Department provided funding of \$3.32 million to Software Engineering Australia (SEA) National and a business plan for 2002–03 was agreed. Funding in 2000–01 totalled \$4.6 million. SEA National's role is to improve the quality and sophistication of software development and acquisition in Australia.

The Department made the final payment of \$750 000 to the Centre for Quantum Computing Technology which is conducting leading-edge research into this new field of computing. This brought the government's support for this project since November 2000 to a total of \$2.25 million.



Members of the Information and Communications Technology Division from L to R, standing, Ben Chifley, Mike Sutton and Dorothy Sweeney, seated, Beverly Hart (Chief General Manager) and David George.

Access to Government information

The Department facilitates access to Government information for Australians through effective policy development and service delivery, increasingly provided in partnership with other Commonwealth agencies.

A number of online improvements and initiatives improved the delivery and useability of Government information. These included establishing the metadata repository for www.fed.gov.au; including Australian Local Government Associations as part of the whole-of-government online access point (www.gov.au); and redesigning the Government Online Directory.

Online access to Commonwealth Government information through www.fed.gov.au, www.gov.au, www.gold.gov.au, www.fedinfo.gov.au and www.bookshop.gov.au continued to grow with a 18 per cent increase this financial year.

The most recent Government Online Survey (November 2001) reported that the majority of Commonwealth agencies, 88 per cent, met 90 per cent or more of the Online Information Service Obligations, demonstrating their commitment to applying Government information standards, principles and guidelines.

Administered items

This outcome group encompasses the development, promotion and implementation of communications and information technology programs, including their design, delivery and management to support the Commonwealth Government's objectives.

The Department administered projects for this outcome in accordance with the ANAO *Better Practice Guides on Contract Management and Administration of Grants* and the Department's Risk Management Policy.

Competitive tender processes were initiated where appropriate to optimise the likelihood of achieving best value for money outcomes in accordance with the Commonwealth contract management guidelines. The Department conducted a number of significant tenders during the course of 2001–02, principally for programs delivered as a result of the proceeds from the sale of the second tranche of Telstra and the Government's response to the TSI.

Regional Telecommunications Infrastructure Fund

Performance indicators	
	<ul style="list-style-type: none">• Efficient, timely and proper program administration.• Satisfaction of the Networking the Nation Board and other stakeholders with the quality of Secretariat support.• Percentage of applications fully administered in accordance with timeframes and to the standards described in the program guidelines.• Percentage of deed proposals made to applicants within one month of announcement of Board decisions.• Number of audits of projects.

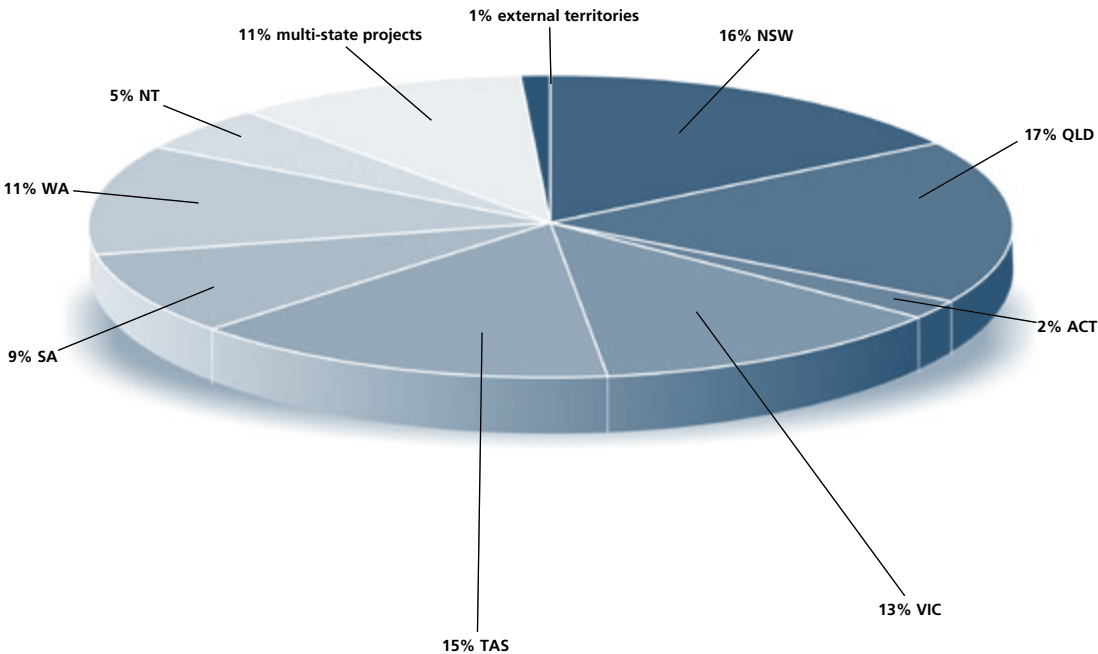
The Networking the Nation (NTN) Program

The Networking the Nation (NTN) Program comprises five elements—the General Fund, the Building Additional Regional Networks (BARN) program, the Local Government Fund, the Remote and Isolated Islands Fund and the Internet access for regional and remote Australia program. A discussion of the Department’s performance in administering the NTN General Fund follows. The other four NTN Program elements are discussed in the Telstra Social Bonus 2 report (see pages 63–69).

This financial year the Department assessed 292 applications and monitored the existing stock of grants, now in excess of 600 projects.

In the 2001–02 reporting period, the Department administered the program and a total of \$82.2 million Commonwealth grant payments were made from the NTN Program. This comprised project grants totalling \$13.82 million for New South Wales, \$13.52 million for Queensland, \$2 million for the Australian Capital Territory, \$11 million for Victoria, \$11.9 million for Tasmania, \$8.7 million for South Australia and \$4.2 million for the Northern Territory. In this financial year, multi-state project payments, that is, projects crossing state/territory geographic boundaries, totalled \$8.9 million and projects in the external territories totalled \$890 000.

Graph 5: 2001–02 summary of payments for the NTN Program by the state/territory of the grant recipient



An independent Board appointed by the Commonwealth Government makes all NTN funding decisions. The Department provides secretariat support to the NTN Board and administers the Commonwealth deeds of agreements with grantees. A full description of the NTN Board’s role, its activities during 2001–02, and the outcomes achieved under the Program to date is included at Appendix 8.

In accordance with the NTN Board’s work program, the Department organised two funding rounds this financial year involving a special purpose NTN Board meeting, involving the state/territory governments, and an out-of-session Board meeting by teleconference.

The Board expressed its complete satisfaction with the timeliness and quality of the Department’s advice, support and administration of the NTN Program on a number of occasions throughout the year.

The General Fund

The General Fund is the largest single component of the NTN Program. It funds projects bridging gaps in telecommunications services, access and costs between urban and non-urban Australia. The \$250 million of Commonwealth funding has been provided over five years, commencing in 1997, from proceeds from the first sale of Telstra shares. It has been channelled through the Regional Telecommunications Infrastructure Fund on the basis of five equal annual appropriations of \$50 million.

The Commonwealth allocated the \$250 million funding to the states and territories on the following basis:

- New South Wales—\$37.4 million;
- Victoria—\$28.5 million;
- Queensland—\$53.1 million;
- Western Australia—\$26.5 million;
- South Australia—\$26.5 million;
- Tasmania—\$58 million;
- Northern Territory—\$16 million; and
- Australian Capital Territory—\$4 million.

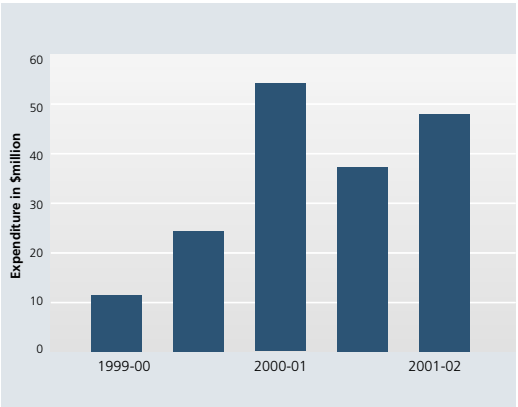
Activities funded through the General Fund this financial year include providing new telecommunications infrastructure and services, including both Internet and mobile telephony, training, skills development and awareness-raising programs and services, and supporting survey, planning, and strategy development processes.

This reporting period, the NTN Board approved funding of \$24.9 million for 152 successful applicants. All successful applicants received letters of offer from the Department, specifying the requirements of the Funding Deed, within one month of the public announcement of the Board’s decisions.

The Department assessed 248 new applicants and monitored the existing stock of grants, now in excess of 560 projects.

Close to \$1 million only remains to be allocated under the NTN program from the proceeds of the sale of the first tranche of Telstra. The following chart illustrates the expenditure profile from the financial years 1997–98 through to 2001–02.

Graph 6: The NTN General Fund expenditure profile from 1997–98 to 2001–02



The Department’s internal auditors, KPMG, conducted six random reviews of NTN projects this reporting period. While generally satisfactory, the reviews found that some administrative aspects relating to recording of assets and treatment of interest earned from NTN funds were not in accordance with grant deeds. The Department took action to address these issues.

Telstra Social Bonus 2

Performance indicators	<ul style="list-style-type: none"> • Efficient program administration; timely funding agreement management; and tenders conducted with probity. • Extent to which the Government targets for rollouts are met. • Percentage of applications fully administered in accordance with timeframes and to the standards described in the program guidelines. • Percentage of deed proposals made to applicants within one month of Board decisions.
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In June 1999, the Government provided a further \$670 million for a range of new initiatives, funded from the proceeds of the sale of a further 16.6 per cent of Telstra. These are:

- the BARN Program \$70 million;
- the Local Government Fund \$45 million;
- the Remote and Isolated Islands Fund \$20 million;
- the Rural Internet Access Reserve \$36 million;
- Mobile Phones on Highways \$25 million;
- Connecting Tasmanian Schools \$15 million;
- Extending mobile phone coverage in South Australia, Tasmania and Western Australia \$3 million;
- Untimed Local Calls in the Extended Zones \$150 million;
- Building on Information Technology Strengths suite of programs \$158 million (comprising the Incubator Program, the Advanced Networks Program and the Intelligent Island Program);

- the Launceston Broadband Project \$15 million;
- the Television Fund \$120 million;
- the Trials of Innovative Government Electronic Regional Services \$10 million (note: this program is administered by NOIE and is reported as part of the NOIE Annual Report); and
- NetAlert—\$3 million.

A discussion of the Department's performance in administering each of these sub-components of the Telstra Social Bonus 2 program for the 2001–02 financial year is set out below.

BARN, the Local Government Fund, the Remote and Isolated Islands Funds and the Internet Access for regional and remote Australia program

BARN, the Local Government Fund, the Remote and Isolated Islands Funds and the Internet Access for regional and remote Australia program are administered under the umbrella of the NTN Board and its processes.

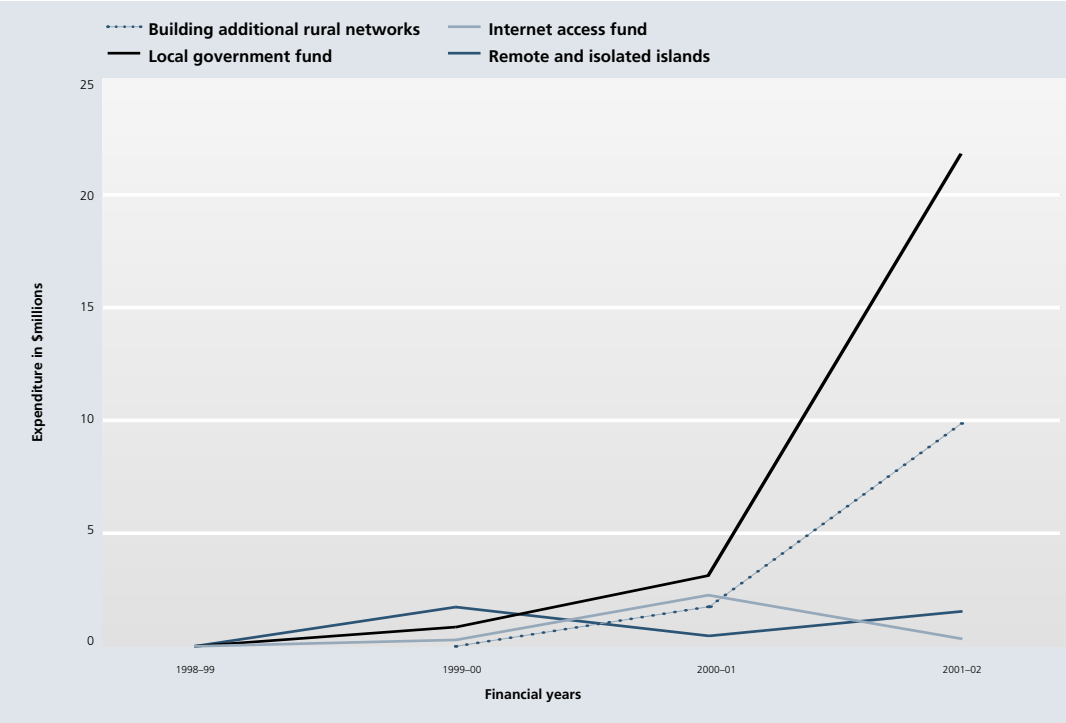
This financial year, the Department assessed a total of 65 applications in accordance with the timeframes and to the standards described in the program guidelines for the individual programs.

Of these, the NTN Board approved 32 applications with total Commonwealth funding of \$42.7 million. All successful applicants received letters of offer, specifying the requirements of the Funding Deed within one month of the public announcement of the Board's decisions.

The NTN Board has committed almost all monies allocated to it from the proceeds of the sale of the second tranche of Telstra. The only Program with significant amounts still to be committed is the BARN Program.

The following chart reflects the expenditure profile of the NTN Social Bonus programs over the last five financial years, from 1997–98 to 2001–02.

Graph 7: The NTN Social Bonus expenditure profile from 1998–99 to 2001–02 (includes BARN, the Local Government Fund, the Remote and Isolated Islands Fund and the Internet Access Fund)



Building Additional Regional Networks

The BARN Program aims to support the development of new networks and new network services and products, with an emphasis on the adoption of innovative solutions and leading-edge technologies, the introduction of high speed regional networks and strong participation of new telecommunications carriers and service providers in project implementation.

Through BARN, the Commonwealth will provide \$70 million over five years (1999–2000 to 2003–04). The funding is received as discrete annual appropriations. Of the \$70 million, \$10 million is being provided to each state with a further \$10 million to be provided for the territories, including the Pacific and Indian Ocean territories. This financial year the Department administered Commonwealth funding of \$9.78 million from the BARN Program.

Because of the ‘new market model’ nature of the BARN Program, some projects carry an inherently higher risk than might normally be the case. In December 2001, a telecommunications entity which received funding through BARN—Green Phone—was forced into liquidation. As a result, the NTN Board commissioned KPMG to review the Department’s processes in initially assessing the Green Phone funding application and monitoring of the project. The Department is now implementing all the recommendations contained in the KPMG report.

Local Government Fund

The Local Government Fund (LGF) supports regional and rural local government authorities in using telecommunications to deliver improved services and benefits to their communities. This provides local governments with the opportunity to use advanced telecommunications technologies and networks, providing state-of-the-art services to their communities.

Through the LGF the Commonwealth will provide \$45 million over five years (1999–2000 to 2003–04). The funding is received as discrete annual appropriations. Of the total \$45 million, the Commonwealth is allocating \$6 million to each state, \$6 million for the territories and \$3 million is being maintained in a national pool. This financial year, Commonwealth expenditure from the LGF totalled \$21.5 million.

Remote and Isolated Islands Fund

The Remote and Isolated Islands Fund assists in meeting the telecommunications needs of people in remote island communities, isolated island communities or the Australian Antarctic Territory. The Fund addresses the particular telecommunications needs of remote island communities such as the Torres Strait, the Cocos (Keeling) Group, Christmas, Norfolk, King, Flinders, Kangaroo and other islands, and in the Australian Antarctic Territories.

Through the Fund, the Commonwealth provides \$20 million over four years (1999–2000 to 2002–03). The funding is made available under the provisions of the *Telstra (Further Dilution of Public Ownership) Act 1999*.

This financial year Commonwealth expenditure from the Remote and Isolated Islands Fund totalled \$1.5 million.

Rural Internet Access Reserve

The Rural Internet Access Reserve was established under the *Telstra (Further Dilution of Public Ownership) Act 1999* to stimulate growth of Internet service delivery in regional and rural Australia. Shortly after the Program commenced, the need for further allocations was overtaken by the introduction of the Telstra MegaPOP product offering local call cost Internet access across Australia.

Consequently, in the 2001–02 Budget, the Government announced the reallocation of funds totalling \$21 million to telecommunications and Internet initiatives as part of the Government's response to the Telecommunications Service Inquiry. These reallocations were consistent with the legislative requirement to improve rural Internet access. A total of \$6 million of the original

funding was reallocated to the Online Technical Assistance Program [known as the Internet Assistance Program (IAP)].

The IAP is a joint venture with Telstra to provide better quality and faster access to dial-up Internet services (see: IAP report under the Government's Response to the Telecommunications Service Inquiry in this Annual Report, page 74).

Mobile Phones on Highways

The Commonwealth provided \$25 million over the three years to 2002–03 to fund the Mobile Phones on Highways Program. The project will facilitate near to continuous mobile phone services along 9963 kms on 16 of Australia's major highways. The funding is made available under the provisions of the *Telstra (Further Dilution of Public Ownership) Act 1999*.

The successful tenderer for the Mobile Phones on Highways service delivery was Vodafone. The Commonwealth contract with Vodafone was signed on 19 April 2001 and the Department made progressive payments to Vodafone conditional on the achievement of contractual milestones. The Department and Vodafone reviewed contractual targets and performance indicators on a monthly basis. A total of 27 per cent of the new infrastructure is in service at the end of the reporting period. Given the tight timeframes in delivering this project, the Government extended the 'fully operational' date of this project from 30 June 2002 to 31 December 2002.

Publicity of new services has been conducted successfully and in accordance with the contract provisions.

Connecting Tasmanian Schools

The Connecting Tasmanian Schools project establishes local and wide area networks linking Tasmanian schools and provides additional computers and support resources for the State's government and non-government schools. The Commonwealth allocated funding of \$15 million as part of the Social Bonus initiatives, and an additional \$12 million was allocated from the Tasmanian allocation of the original NTN program, i.e. from the General Fund.

The project is managed through two Memoranda of Understandings (MOUs) between the Commonwealth and the Tasmanian State Government. Financial management is on the basis of the project achieving agreed milestones to access the next funding instalment.

This financial year, the Department made payments totalling \$26.6 million to the State Government in accordance with the MOU. This will bring the Program to a conclusion in June 2004. The Tasmanian Department of Education reports that 82 per cent of Tasmanian classrooms have access to the Internet.

Extending mobile phone coverage— Tasmania, South Australia and Western Australia

Through this Program, the Commonwealth provided \$1 million to expand mobile phone coverage in each of the major regional centres in South Australia, Western Australia and Tasmania for a total of \$3 million over three years. This Program complements the Mobile Phones on Highways project discussed earlier.

Tasmania

The NTN Board approved funding for three applications, fully allocating the available funds. Appropriate funding deeds were put in place in relation to infrastructure and services for the Marrawah area—three sites, the Tasman peninsula—three sites, and the central highlands of Tasmania—three sites. Payments are made on the basis of achieving contractual milestones, and totalled \$44 000 this reporting period.

South Australia

From its total Commonwealth allocation, the South Australian Government provided \$800 000 to support two projects, one on Kangaroo Island for a site at Parndana commissioned in June 2002, and one on the Eyre Peninsula for sites at Coffin Bay, Wirrula and Port Neill becoming operational in May 2002.

Approximately \$200 000 was returned to NTN for allocation through the normal funding rounds and was designated for mobile phone projects.

The NTN Board approved a funding application in May 2002 to provide mobile phone services at Francis Caves, in South-East South Australia, using the returned funding which is now fully allocated.

Western Australia

The NTN Board approved funding for four applications, fully allocating the available funds. Appropriate funding deeds were put in place in relation to infrastructure and services for the Abrolhos Islands—two sites, the Shire of Dalwallinu—one site, Peel Communications—three sites, and Shire of Esperence—three sites.

Untimed local calls in the extended zones

The Government committed \$150 million from the proceeds of the second partial sale of Telstra to provide Australians living in extended zones with access to telephone calls and connection to the Internet via an Internet Service Provider (ISP) at the untimed local call rate. There are over 100 extended zones in Australia, ranging in size from about 8000–300 000 km². Telstra won the *Untimed Local Calls to the Extended Zones* tender and entered into a contract to deliver these services with the Commonwealth on 1 June 2001. Contractual payments are scheduled over four years, while the contract itself will run for ten years.

This Commonwealth contract with Telstra includes targets and performance indicators which are reviewed regularly at meetings involving the Department, the ACA and Telstra.

From July 2001, customers in extended zones had access to calls at the untimed local call rate of 22 cents for calls within their own extended zone, as well as to people in adjoining extended zones. The untimed local call rate also applies to dial-up access to the Internet in all extended zones.

As an interim improvement, calls from an extended zone to its Community Service Town (CST), and to the CSTs of all adjoining extended zones have been charged at the preferential rate of 27.5 cents for 12 minutes. The CST for each extended zone is the designated town for commercial purposes.

The Government is expected to make an announcement at the end of July 2002 that customers in the extended zones, covering 80 per cent of Australia's land mass, will be able to make untimed local calls for 22 cents to their CST instead of the previous preferential rate of 27.5 cents for 12 minutes.

All extended zone customers are eligible for an 'always on' two-way, satellite-based Internet service with a choice of access speeds and prices and free installation during the initial rollout stage. Installation of the two-way service is currently in progress. The two-way service makes Internet costs in remote Australia comparable with those currently available in metropolitan areas. As part of the package, Telstra is also offering an attractively priced personal computer package.

Telstra successfully completed milestones dealing with the upgrade of its Public Switched Telephone Network in extended zones. Since August 2001, 908 services have been upgraded to high capacity radio concentrator, providing customers with access to additional call features and improving capacity.

Payments associated with the achievement of the milestones have been made in accordance with the contract over four years beginning in 2000–01. Periodic publicity of enhanced services and upgrades has been conducted to inform extended zone customers and stakeholder groups about the project.



The Minister for Communications, Information Technology and the Arts, Senator Richard Alston, and the Federal Member for Maranoa, Mr Bruce Scott, launching the untimed local calls in extended zones in Birdsville Queensland, August 2001.

BITS Incubator Program

Through the BITS Incubator Program, the Commonwealth provides \$76 million funding over five years (1999–00 to 2003–04) to ten mainland incubators to support the development of start-up companies in the ICT sector.

The ten BITS incubators continued their efforts to identify and encourage start-up companies, and to secure co-investment. As required under the Commonwealth funding deeds, the Department received all grant recipients' quarterly operational reports and their annual reports for the 2000–01 financial year. The Department released the first public annual report on the BITS Program in February 2002.

BITS incubators received funding of \$21.15 million during the 2001–02 financial year, with co-investment secured worth an estimated \$19 million. More than 80 new companies were accepted into the incubators and 21 companies graduated from the incubators during the financial year.

BITS Advanced Networks Program

The BITS Advanced Networks Program provides Commonwealth funding of \$37.2 million over three years (2001–02 to 2003–04) to support the development, trialing and demonstration of advanced communications networks and test beds.

The Department negotiated and finalised Commonwealth grant deeds with the three participating consortia, with a total of \$21.9 million being allocated this financial year. The three consortia are the Centre for Networking Technologies for Information Economy (CeNTIE), m.Net Corporation Ltd and GrangeNet.

The Program's three grantees progressed their project schedules in accordance with their respective Commonwealth agreements. m.Net conducted the first-ever demonstration of a 3G network in the Southern hemisphere during the World Congress on IT in March 2002.

CeNTIE became the first network in the southern hemisphere to use ten gigabit ethernet to demonstrate haptic workbench technology for use in telehealth. Grangenet has installed significant parts of a new Dense Wavelength Division Multiplexing (DWDM) research and education network.

The Department helped to establish the Australian Advanced Networks Panel to serve as a peak body facilitating cooperation and information sharing between grantees. It will also facilitate linkages with other advanced networks in Australia and internationally.

BITS Intelligent Island Program

The BITS Intelligent Island Program, receiving \$40 million of Commonwealth funding to be spent over five years from 1999–2000 to 2003–04, promotes the development of an internationally competitive ICT sector in Tasmania.

In accordance with the requirements of the MOU between the Commonwealth and the Tasmanian governments, the Department received biannual progress reports for this Program. A significant outcome this financial year was the May 2002 decision to proceed with the development of a Centre of Excellence in Bioinformatics. Work also continued on the program's seven priority areas including skills, incubator development, investment attraction, marketing, a telecommunications study, and the Enterprise Development Fund. The Tasmanian ICT incubator (Intellinc) accepted six incubatees during the year and the Intelligent Island program provided support for four projects through its Skills Initiative.

In accordance with the Government's rollout targets, the Department made the second funding instalment of \$20 million to the Tasmanian Government for the Intelligent Island Program during the reporting period.

Launceston Broadband Project

The Launceston Broadband Project provides Commonwealth funding of \$5 million over five years from 1999–2000 to 2003–04 to the Tasmanian Electronic Commerce Centre (TECC) through the Business Development Fund (BDF).

The project stimulates new high-technology businesses in Launceston and provides \$10 million of Commonwealth funding to Telstra for the establishment and ongoing operation of the Multimedia Development Laboratory and the Advanced Internet Access trial in Launceston.

In accordance with the Program's administration guidelines, the Department received biannual progress reports from TECC and Telstra. The BDF completed one funding round during the year, bringing the total number of projects to nine. A second funding round commenced, attracting applications from 64 companies.

In terms of the progressive total, the Department granted \$2.94 million to the TECC and Telstra this financial year. A total of nine companies received funding through the BDF, and the target number of 1000 subscribers to the Advanced Internet Access trial was achieved.

Television Fund

The Department administered the \$120 million Television Fund established by the Commonwealth Government in 1999. The Fund enables access to television services in metropolitan, regional, rural and remote areas of Australia by extending SBS television and fixing television black spots.

The Television Fund includes three major initiatives: the Television Black Spots Program, the SBS Television Extensions Program and the Regional Communications Partnership Self-Help Subsidy Scheme.

Television Black Spots Program

The Television Black Spot Program is funded for five years until June 2004. This financial year \$7.2 million was expended for the Program. Planning of frequencies for all expressions of interest is largely complete and at 30 June 2002 grants were in place addressing 103 television black spots. These projects will establish 324 new television services, helping more than 30 000 households across Australia. As part of the Program, the Department is overseeing the replacement of obsolete transmission equipment at 178 retransmission sites.

This financial year, the Department advised a further 172 communities that frequencies were available to establish new services, fully costed proposals from these communities are expected by December 2002.

SBS Television Extensions Program

This reporting period, the Department provided SBS with a final payment towards the \$73.71 million cost of extending SBS analog television to all regional transmission areas with more than 10 000 people. This initiative funded the establishment and ongoing provision (for at least ten years) of SBS television services to more than 1.2 million regional viewers. The rollout of new services to 78 sites in 36 transmission areas was completed by October 2001.

Regional Communications Partnership Subsidy Scheme

The \$10 million Regional Communications Partnership Subsidy Scheme commenced in December 2000 and provides subsidised access for periods of ten years to National Transmission Network sites operated by Broadcast Australia Pty Limited. The Scheme is a funded pool to which the Commonwealth contributed \$5 million, drawn down upon application by self-help groups. It is expected to continue operating until the funding pool is exhausted. To the end of June 2002, the Scheme funded subsidised access in relation to a total of 40 services (35 television and five radio) assisting 27 regional and remote communities in Australia.

NetAlert

The Department provided \$1 million in social bonus funds to NetAlert on approval of its 2001–02 workplan. NetAlert continued to undertake community education and advice activities and jointly commissioned research into Internet access management technologies with the Australian Broadcasting Authority. NetAlert prepares an annual report for tabling in Parliament, setting out its priority projects and activities.

National Relay Service

Performance indicators	<ul style="list-style-type: none">• Contract between the Commonwealth and the National Relay Service provider is administered efficiently.• Extent to which service standards specified in the contract between the Commonwealth and the National Relay Service provider are met.
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The National Relay Service (NRS) provides access to the standard telephone service for people who are deaf or who have a speech and/or hearing impairment. The NRS operates on an ongoing basis under the *Telecommunications (Consumer Protection and Service Standards) Act 1999*. The Service is funded by a levy on telecommunications carriers administered and collected by the ACA.

The NRS is delivered through a five-year Commonwealth contract with the Australian Communications Exchange (ACE) which expires on 30 June 2003. The Department administers the Commonwealth contract, including making payments to the provider. In 2001–02, the Department paid ACE \$12 714 189 for delivery of the NRS. Under the contract, payments are made quarterly and are based on an estimate of the current quarter’s cost plus an adjustment for the actual cost of a previous quarter. The contract incorporates penalty or bonus provisions based on service performance standards monitored and reported on by the ACA. The ACE met contract standards to a high degree this reporting period.

In addition to the Commonwealth contract, the ACA and ACE develop the NRS Service Plan and its performance indicators each year. In accordance with the part 3 of the Act, the ACA will report to the Minister about ACE’s performance against the NRS Plan in the next financial year.

As part of the Government’s response to the TSI, the Department negotiated amendments to the NRS contract for the introduction of a national telephone typewriter (TTY) training program which took effect in March 2002.

The Department made additional contract amendments to enhance the operation of the NRS in consultation with ACE and the ACA. These included enabling ACE to participate in the Australian Communications Industry Forum’s best practice industry code for management of life-threatening or unwelcome calls, and using Call Line Identification where necessary—for example, routing calls to nationally advertised numbers, such as pizza chains, to the closest location to the caller.

Universal Service Levy

Performance indicators	<ul style="list-style-type: none">• Total levy collections are paid to the Universal Service Provider in accordance with established process.• Percentage of payments collected and made in accordance with processes specified in legislation.
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The Universal Service Levy is an ongoing levy mechanism subsidising specific services provided under the Universal Service Obligation (USO) and Digital Data Service Obligation (DDSO).

The USO and DDSO are the legal requirements placed on universal service and digital data service providers ensuring standard telephone services and payphones, and digital data services, respectively, are reasonably accessible to all people in Australia on an equitable basis, wherever they reside or carry on business.

The relevant obligations and processes established by the *Telecommunications (Consumer Protection and Service Standards) Act 1999*, and the *Telecommunications (Universal Service Levy) Act 1997* were met. The levy is recovered from telecommunications carriers in proportion to their total revenues and paid annually in arrears and the levy for 2000–01 was collected and paid in 2001–02.

In 2000–01, the USO and DDSO subsidy totalled \$298 925 000 of which Telstra’s competitors contributed \$67 612 222 and Telstra contributed the balance. The competitor contribution component was \$2 353 400.47 less than assessed.

This revenue shortfall was due to a number of payment defaults by contributors, most notably, OneTel which ceased to operate this financial year.

In light of the levy defaults, the Minister made the *Universal Service (Levy Debit Formula Modifications) Determination (No. 1 of 2002)* under which future defaults will be covered by remaining contributors. This mechanism has effect from the 2001–02 USO claim period.

The Department also consulted with industry on further changes to the levy collection process to prevent and mitigate the impact of any future USO defaulters. This will be considered further in the 2002–03 financial year.

ABC and SBS Digital Interference Subsidy

Performance indicators	<ul style="list-style-type: none">• Potential for interference to ancillary equipment from new digital broadcasting services adequately managed.• Interference from new digital services minimised.
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The Department administers \$10 million of Commonwealth funding to meet the ABC and SBS’ financial contribution to the digital interference management strategy established by all Australian television broadcasters. These funds are transferred to the national broadcasters on a reimbursement basis and are available to be used during the period it takes to convert to digital television.

Coordinated by the Federation of Australian Commercial Television Stations (FACTS), the strategy addresses interference experienced by viewers with the introduction of digital television services—specifically, the operation of their video cassette recorders or pay television set top boxes (STBs). The Strategy comprises a comprehensive public information campaign, a national telephone hotline service (for general inquiries and technical advice), a website, and other technical assistance to viewers, including home visits free of charge where required.

During this reporting period, the Department conducted ongoing consultations with the Australian Broadcasting Authority (ABA) and industry to inform the Strategy.

These consultations helped to finalise cost-sharing arrangements between free-to-air broadcasters and pay TV operators for retuning STBs affected by digital television transmissions. The consultations also contributed to planning for the allocation of digital terrestrial services and coordination of their rollout, to minimise interference and improve the efficacy of interference management.

Where interference with viewers' existing television reception has arisen from the introduction of digital television services, the vast majority of interference difficulties have been resolved through the provision of technical advice over the hotline. Home visits by qualified technicians have resolved the remaining cases—less than two per cent of calls to the hotline.

National Transmission Network Residual Funding Pool

Performance indicators	<ul style="list-style-type: none">• CSOs for transmission services efficiently administered.• Funding delivered promptly to recipients in accordance with contractual obligations.
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The National Transmission Network (NTN) Residual Funding Pool—created as part of sale arrangements for the National Transmission Network in April 1999—ensures certain community service obligations are met for the transmission arrangements of national, community and remote commercial broadcasters. The Department has ongoing transmission funding or grant deed payment arrangements with Radio for the Print Handicapped, the Community Broadcasting Foundation, Golden West Network, North West Radio and Imparja in place to meet these commitments.

In 2001–02, the Department ensured that all Pool beneficiaries received their approved level of financial assistance on time and in accordance with agreed, contractual milestones. Commonwealth grant deed payments made this financial year totalled \$560 000.

Federation Fund grants—Commonwealth Technology Port

Performance indicators	<ul style="list-style-type: none">• Efficient and timely funding agreement monitoring.• Progress with development of the Commonwealth Technology Port consistent with milestones in the funding agreement.
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The Commonwealth agreed to provide a total of \$22.5 million in funding over three years (1999–2000 to 2001–02) through the Federation Fund for the Commonwealth Technology Port (CTP), part of the high-technology precinct development in the Melbourne Docklands area. This funding was directed towards the development of the CTP and its infrastructure, for which construction is scheduled to begin by 31 March 2003.

The grant deed between the Commonwealth and the Government of Victoria, as represented by the Docklands Authority, was finalised in May 2000. Funding provided to the Docklands Authority in 2001–02 was \$3.5 million, bringing total payments to \$14.5 million. While the Authority successfully undertook ground remediation and development of architectural designs in 2001–02, delays have been experienced in securing suitable initial tenants, resulting in slippage in achievement of deed milestones for the year.

Compensation to Société Internationale de Télécommunications Aéronautiques

Performance indicators	<ul style="list-style-type: none">• Continued investment by SITA in Australia.• Allocated funding expended.
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This program compensates the Société Internationale de Télécommunications Aéronautiques (SITA) for the imposition of certain Australian taxes and duties, thereby encouraging SITA to retain its regional headquarters in Australia.

During this financial year, SITA continued to operate its regional headquarters in Sydney and the Department processed quarterly claims for payments to SITA totalling \$2.32 million this financial year.

Government response to the Telecommunications Service Inquiry

Performance indicators	<ul style="list-style-type: none"> • Efficient program administration, timely funding agreement management, and expressions of interest and tenders conducted with probity. • Extent to which Government targets for rollouts are met. • Percentage of applications fully administered in accordance with timeframes and to the standards described in the program guidelines. • Percentage of deed proposals made to applicants within one month of announcement of Board decisions. • Number of audits of projects.
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On 15 May 2001, the Government announced a funding package of \$163.1 million in response to recommendations from the Telecommunications Service Inquiry (TSI). The initiatives included several major programs further improving telecommunications services for consumers in regional, rural and remote Australia.

Towns Over 500 Program

The Towns Over 500 Program provides \$37.7 million in funding over three years (2001–02 to 2003–04). Through the Program the Commonwealth is extending terrestrial mobile phone coverage to towns of population of 500 or more, subject to community need and ongoing viability.

In accordance with Government rollout targets, the Department signed the Commonwealth contract with the successful tenderer, Telstra, on 3 April 2002 to deliver, by December 2003, improved mobile phone coverage to 132 towns in regional Australia with 500 or more residents.

The Department conducted the Program's tender process in accordance with Commonwealth probity guidelines and its tender evaluation plan (TEP). The TEP outlined selection criteria and the processes for applications, and the Department established an independent assessment panel and appointed a legal adviser, probity adviser and technical expert to manage the selection process.

At the end of this financial year, and in accordance with the agreed contract milestones, the firsts two towns in New South Wales began receiving improved mobile services.

Regional Mobile Phone Program

Through the Regional Mobile Phone Program the Commonwealth provides \$20.4 million, over three years (2001–02 to 2003–04) to extend terrestrial mobile phone coverage to 55 towns with a population of under 500 people, \$20.4 million for spot coverage on 34 selected regional highways, \$7 million for the WirelessWest Program, providing mobile coverage in south-west Western Australia and \$2.1 million to subsidise satellite handsets where terrestrial mobile coverage is not available.

The Minister for Communications, Information Technology and the Arts announced this Program on 1 November 2001 after extensive community consultation.

During this reporting period, the Department provided timely funding agreement management of the Program by:

- issuing a select tender for the provision of mobile coverage to 55 selected population centres in February 2002, closing on 27 March, 2002;
- issuing a select tender for the provision of spot coverage on 34 regional highways in March 2002, closing on 12 April;

Table 4: Commonwealth funding initiatives announced in response to the Telecommunications Service Inquiry, May 2001

Mobile phone coverage and affordability

- \$37.7 million for mobile phone coverage in population centres of 500 residents and above.
- \$20.4 million for population centres with under 500 residents.
- \$20.4 million for spot coverage on selected regional highways.
- \$7 million for the WirelessWest Program providing coverage in south-west Western Australia.
- \$2.1 million to subsidise satellite handsets where terrestrial mobile coverage is not available.
- \$3.4 million for telecommunications consumer representation and research.
- \$0.4 million for study on the Telecommunications Needs of Remote Indigenous Communities.

Internet access

Up to \$48 million jointly funded with Telstra—\$10 million from the Commonwealth and up to \$38 million from Telstra—for the Internet Assistance Program, to support better quality and faster access to dial-up Internet services.

Broadband for regional health and education

To support the rollout of higher bandwidth communications services for health and education in regional areas the National Communications Fund provides \$52.2 million.

Community information

To increase awareness in regional, rural and remote areas of the benefits and opportunities available through current Government communications funding programs, the availability of commercial communications services and consumer safeguards and rights, \$6.9 million was provided for a community information campaign.

Consumer safeguards

A range of consumer safeguard improvements for initiatives under the USO and the CSG, including:

- improved service connection times;
- other Internet initiatives;
- funding for consumer representation;
- enhanced payphone services for remote Indigenous communities;
- addressing the telecommunications needs of remote Indigenous communities;
- training in use of teletypewriter equipment;
- reviews of USO contestability;
- review of telecommunication specific competition regulation;
- appointment of a new regional member to the ACA;
- reliability standards and improved quality of service reporting; and
- a review of the CSG.

- signing a MOU on behalf of the Commonwealth with the Western Australian State Government for the WirelessWest project on 5 October 2001, with the first mobile towers being brought into service on 12 June 2002; and
- contributing to the successful launch of the satellite handset subsidy—an application-based scheme—on 21 May 2002.

The Department conducted the Program's tender processes in accordance with Commonwealth probity guidelines and its TEPs. Each of the TEPs, one for terrestrial mobile coverage and one for highway spot coverage, outlined selection criteria and the processes for applications.

The Department also established an independent assessment panel, including a representative from the Department of Transport and Regional Services and appointed a legal adviser, probity adviser and technical expert to assist in the selection process.

As at 30 June 2002, application assessments were underway for both select tenders. The Minister is scheduled to announce the tender outcomes and the satellite handset subsidy scheme early in the 2002–03 financial year.

Internet Assistance Program

The Internet Assistance Program (IAP) described as the Online Technical Assistance Program in the Portfolio Budget Statement, provides up to \$48 million over three years (2001–02 to 2003–04) and is a joint initiative delivered by the Commonwealth Government and Telstra. The Minister for Communications, Information Technology and the Arts announced the Program on 15 May 2001.

The IAP aims to improve Internet data speeds over Telstra's fixed network and provide users with an effective Internet speed equivalent to at least 19.2 kbs per second to allow email and basic web browsing capability.

The Department assisted in enabling Government rollout targets to be met by:

- facilitating the launch of the IAP in regional areas on 3 September 2001 and extending this coverage to metropolitan users from 4 March 2002;

- monitoring access to the IAP website and helpline—totalling 70 000 people; and
- allocating close to \$4 million in Commonwealth payments this financial year.

The Department administers the Program through a funding deed between the Commonwealth and Telstra. At the end of this reporting period, all Program milestones were met and payments made in accordance with the Deed requirements.

National Communications Fund

Launched by the Minister for Communications, Information Technology and the Arts on 5 October 2001, the National Communications Fund (NCF) provides \$50 million to improve service delivery in the education and health sectors by funding large-scale telecommunications projects in regional areas of Australia. By doing so, the Government is also encouraging greater access to broadband services in these areas.

The NCF is a competitive application-based program with a single funding round. Prior to its launch and to ensure efficient program implementation, the Department consulted extensively with key stakeholders—including state and territory governments and representatives of the education and health sectors. The Department subsequently released the Fund's draft guidelines for public comment.

The Department conducted the Program's assessment process in accordance with Commonwealth probity guidelines and the NCF's evaluation plan. The overall selection process involved the Department of Communications, Information Technology and the Arts, a specialist technical and financial consultant, relevant Commonwealth departments (Health and Ageing; Education, Science and Training, and Transport and Regional Services) and an independent assessment panel appointed by the Minister for Communications, Information Technology and the Arts. The process was overseen by a probity auditor.

Applications for the NCF closed on 28 February 2002 and 59 applications were received. An announcement of the successful applicants is expected early in the 2002–03 financial year.

Community information campaign

During this reporting period, the Commonwealth undertook a national community information campaign to increase awareness of the benefits and opportunities available through Commonwealth communications programs in regional, rural and remote areas of Australia. The campaign also provided comprehensive information about the availability of commercial communications services and consumer safeguards and rights. These objectives addressed several key issues raised in the TSI.

The Department administered the campaign, with public relations activities commencing in July and national advertising commencing in September 2001. A total of \$5.7 million was allocated for the campaign, with a further \$1.2 million allocated for the development of the *New Connections* website and 1800 telephone helpline. The campaign comprised national television, radio and print advertising and general publicity across Australia. The *New Connections* website and 1800 helpline complemented campaign activities by providing assistance to regional and rural telecommunications consumers.

Market research evaluation conducted by Quantum Market Research showed the campaign had a positive impact in raising awareness levels of the target audience.

The Department met the Government's targets for the campaign rollout. The campaign was suspended upon the calling of the Federal election on 5 October 2001. Of the \$5.7 million allocated for the campaign, the Department spent \$4.084 million. The unspent funds (\$1.6 million) provided a saving for the budget.

In terms of timely funding agreement management, the Department successfully let and managed several major consultancies to achieve the campaign outcomes. These included consultancies for market research, public relations, advertising placement and production of communication materials. All this work was completed as required. Further information about these consultancies is available at Appendix 8 of this Annual Report.

International organisations' contributions

The Department administers financial contributions to international non-government organisations and coordinates Australia's policy position and substantive involvement in international fora (see discussion of coordination role on page 52). The Department contributes to the work of the Asia-Pacific Economic Cooperation (APEC), the International Telecommunication Union (ITU), the Asia-Pacific Telecommunity (APT) and the World Trade Organisation.

During the 2001–02 financial year, the Department administered \$5.608 million of Commonwealth funds for contributions to international non-government organisations. Broken down, this equated to \$5.339 million for Australia's contribution to the ITU, the United Nations agency responsible for international cooperation in the use of telecommunications and radiofrequency spectrum, establishing treaty agreements and recommending global standards for telecommunications and radiocommunications services. The ITU contribution is fully recouped from carrier licence fees and, as a payment in Swiss francs, is subject to exchange rate variations.

The Department also administered the Commonwealth's contribution of \$269 000 to the APT (including a carry over from 2000–01 of \$41 000). The APT is a regional communications development cooperation organisation established by treaty, whose members are drawn from the governments of Asia, Oceania and the Pacific Islands.

Australia's response to foot and mouth disease and other quarantine risks

The Commonwealth is providing \$49.4 million funding to Australia Post to enable the presentation of all inbound international mail to the Australian Quarantine and Inspection Service (AQIS) and the Australian Customs Service (ACS) for inspection. AQIS and ACS are checking all inbound mail for the presence of possible sources of contamination by exotic animal disease, particularly foot and mouth disease.

The Department effectively administered the Commonwealth grant deed in cooperation with AQIS and the ACS. The payment to Australia Post totalled approximately \$5.9 million during 2001–02, the first year of the four-year funding arrangement. Australia Post achieved 100 per cent presentation of inbound international mail to AQIS and ACS inspectors this financial year.

Evaluations

Enterprise and Radiocommunications—Productivity Commission: Review of Market-based Spectrum Management Reform and Associated Regulatory Activities

In July 2001, the Productivity Commission began its review of market-based spectrum management reform and associated regulatory activities in response to a request from the then Assistant Treasurer, Senator Rod Kemp. The Commission held public hearings in September and October 2001, and published its draft report, *Productivity Commission's Radiocommunications Inquiry*, in February 2002 for public comment.

Additional public hearings were held in April and May 2002 and the final report is due to go to the Treasurer, Mr Peter Costello, on 16 July 2002. The *Productivity Commission Act 1998* requires the Government to table the report and its response within 25 sittings days of the report's receipt.

The Department provided ongoing assistance to the Commission throughout the Review. The draft report and additional information about the Review is available online at www.pc.gov.au.

Review of Community Broadcasting Funding Initiatives—Infrastructure and Multicultural Programming

This reporting period, the Department undertook a series of evaluations where Commonwealth funding is provided to the community broadcasting sector, known as the Review of Community Broadcasting Funding Initiatives, Infrastructure and Multicultural Programming. These evaluations, expected to be complete in August 2002, focus on community radio satellite service, multicultural broadcasting funding and community broadcasting online infrastructure.

Outcomes of these evaluations will inform the 2002–03 funding arrangements for the community broadcasting sector.

Outcome 3

Australians value science and technology's contributions to our culture and economic prosperity.

Resources for outcomes → Outcome 3

	(1) Budget* 2001–02 \$'000	(2) Actual expenses 2001–02 \$'000	Variation (column 2 minus column 1 \$'000)	Budget** 2002–03 \$'000
Administered expenses (including third party outputs)	-			-
Total administered expenses	-			-
Price of Departmental outputs				
Output 3.1 Programs and exhibitions that engage people in science and technology	18 008	20 578	2 570	19 583
Revenue from Government (Appropriation) for Departmental outputs	12 309	12 308	(1)	13 760
Revenue from other sources	5 699	8 270	2 571	5 823
Total price of outputs	18 008	20 578	2 570	19 583
TOTAL FOR OUTCOME 3 (Total price of outputs and administered expenses)	18 008	20 578	2 570	19 583

* Full-year budget, including additional estimates

** Budget prior to additional estimates

Average staffing level	2001–02	2002–03
	117	116

Performance indicator index

Performance indicator	PBS page reference	Annual Report page reference
Departmental outputs		
Output 3.1: Programs and exhibitions that engage people in science an technology	60	79
Evaluations	60	83

Outcome 3

Australians value science and technology’s contributions to our culture and economic prosperity.

The National Science and Technology Centre—Questacon aims to help Australians value the contribution of science and technology to Australia’s culture and economic prosperity. Questacon aims to make science fun and relevant for everyone through the design, development and presentation of innovative exhibits, programs and science performances.

Questacon operates within the structure of the Department. An advisory Council, comprising a part-time Chairman and seven members appointed by the Minister for the Arts and Sport, supports Questacon’s activities.

Departmental outputs

Output 3.1: Programs and exhibitions that engage people in science and technology.

Performance indicators	<ul style="list-style-type: none">• Ninety per cent satisfaction rate of visitors to our programs and exhibitions.• One million people participate in Questacon programs in 2001–02, 60 per cent outside the Centre in Canberra.• Average cost of \$18.20 per participant, including CUC (31 per cent funded from sources other than Government—sponsorships, fees and charges for services)
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Exhibitions and programs

During 2001–02, Questacon advanced its goal of helping people to understand that science and technology has interest and relevance to their life. In particular, Questacon, developed and implemented new programs, technologies and partnerships, refurbished the Canberra-based Centre and developed new exhibits and science shows.

This financial year 71 per cent of the total 1 213 661 visitors experienced Questacon programs outside the Centre in Canberra, either through one of the travelling exhibitions, outreach programs or visiting the website.

Overall, however, Questacon experienced a 2.3 per cent decrease in total visitors, compared with the 2000–01 reporting period and excluding Olympic visitors. Analysis of Questacon’s visitor trends for this reporting period suggests the events of 11 September 2001 and anticipated lower visitor numbers for outreach tours to remote, sparsely populated areas were key factors in the reduced overall visitor numbers. At the same time, admissions to the Centre in Canberra increased by 33 402 visitors in 2001–02 representing a 10.42 per cent increase from the previous financial year.

Reaching out to inspire and encourage young Australians—particularly upper secondary school students—to pursue innovative science and technology-based studies and careers has proved difficult in the past. Early feedback suggests the travelling *Smart Moves* program is very effective vehicle in addressing this issue, particularly in terms of emerging technologies such as photonics and developing touring programs in partnership with specialised industry sectors.

In Canberra, major exhibitions this financial year included *Awesome Earth*, developed in conjunction with the Scitech Discovery Centre, Perth which opened in July 2002, and *Burarra Gathering: Sharing Indigenous Knowledge*, jointly developed with the South Australia Investigator Science Centre, which opened in January 2002.

Client feedback

Evidence from formal surveys and feedback confirm all Questacon programs and exhibitions are perceived to be relevant in engaging people in science and technology.

Questacon exceeded its goal of a 90 per cent satisfaction rate for visitors, achieving a rating of 95.3 per cent this reporting period. This result is based on feedback from exit surveys at Questacon, Canberra-based tourist attractions and focus groups in Canberra, Sydney and Wollongong.

Interstate and touring exhibitions

Nationally, Questacon’s outreach programs reached 270 600 people across Australia in the 2001–02 financial year. This represented an increase of 34 per cent or 61 000 more visitors than the previous reporting period.

Questacon toured seven national and two international exhibitions this financial year. These are listed in Table 5.

In total, these exhibitions attracted 690 660 visitors, 392 880 visitors nationally and 297 780 visitors internationally.

Overall, this represented a decrease of eight per cent in visitor numbers from the previous financial year, attributable to the return to Canberra of the *Innovative Australians* exhibition and the decommissioning of the *BHP Wildscience* travelling exhibition 2001.

Innovative Australians showcases Australian contemporary science and technology research and development and was complementary to the *Our Clever Country* exhibition which opened in January 2001. The latter exhibition tells the story of Australian innovation and ingenuity in science and technology despite the geographic isolation globally.

Questacon developed the *BHP Wildscience* exhibition in conjunction with ten other Australian science centres. Launched nationally in September 1996 the exhibition tour ended in November 2001, despite its immense popularity.

Graph 8: Total number of visitors for Questacon 1999–2000 to 2001–02

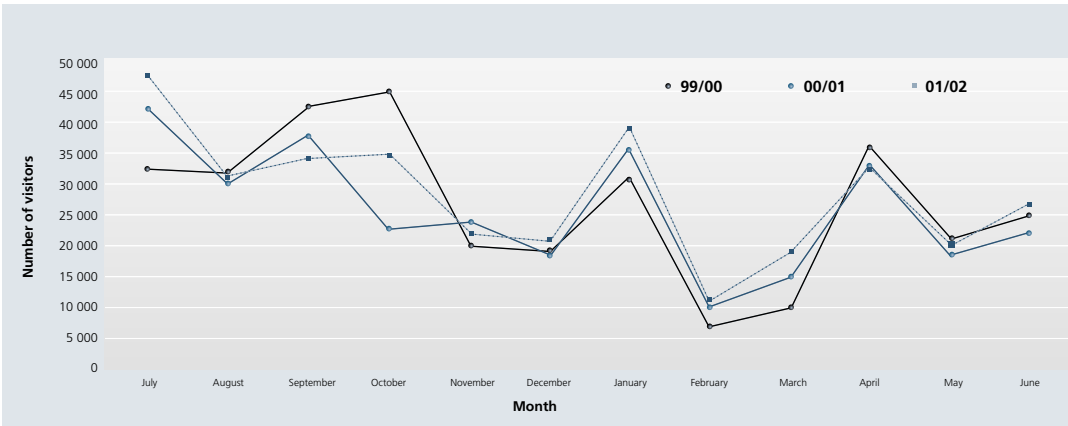


Table 5: Questacon travelling exhibitions for 2001–02

Australian exhibitions		
1. <i>BHP Wildscience</i>	Wollongong Science Centre	May–November 2001
2. <i>Mathamazing</i>	Albury Regional Museum	June–July 2001
	Investigator, Adelaide	August 2001–January 2002
	Discovery Science and Technology, Bendigo	February–April 2002
	Myrtleford Primary School	April–June 2002
3. <i>Science on the Move</i>	Tennant Creek Town Council	April 2002
	Museum and Art Gallery of the Northern Territory	May–July 2002
4. <i>Dimetrodon</i> (old dinosaurs)	Wollongong Science Centre	November 2001–February 2002
5. <i>Terrorsaurus</i> (old dinosaurs)	Scitech, Perth	June–October 2001
	Newcastle Regional Museum	November 2001–February 2002
	Scienceworks, Melbourne	February–July 2002
6. <i>Sea Chest Secret</i>	Great Barrier Reef Marine Park, Townsville	September–November 2001
	SSouth Australian Maritime Museum, Port Adelaide	December 2001–January 2002
	Wollongong Science Centre	March–April 2002
	Australian National Maritime Museum, Sydney	May–July 2002
7. <i>Zoom In</i>	The Investigator, Adelaide	May–October 2002
International exhibitions		
8. <i>Science on the Move</i>	Brunei ASEAN Science Festival	September 2001
9. <i>Whodunit?</i>	National Science Museum, Hong Kong	June–November 2001
	Palais de la Couverte, Paris	February–July 2002

International exhibitions

Questacon continued to tour a range of innovative exhibitions overseas. In total, 43 per cent of Questacon's visitors comprise people attending international exhibitions. For example, 90 968 people visited *the Whodunit? (Forensic Science) Exhibition* at the National Science Museum in Hong Kong between June and November 2001. In Paris, more than 200 000 people have visited the same exhibition since it opened at Palais de la Decouverte in February 2002.

The Australian High Commission in Brunei hired the *Science on the Move* exhibition as part of the Sixth Australia and South-East Asian Nations (ASEAN) Science and Technology Week running from 11–21 September 2001. Based on feedback from the High Commission, 10 000 people visited over the five days including local residents, school tours, local and regional media, scientists and other officials responsible for science and technology in the ASEAN region. The exhibition was so popular it stayed open three hours longer per day than originally planned.

The Shell Questacon Science Circus Program

The Shell Questacon Science Circus (SQSC), a joint venture between Shell Australia, the Australian National University (ANU) and Questacon—is Australia's most travelled science program, covering approximately 25 000 km annually over the past 13 years.

SQSC visits the majority of regional and remote communities in Australia at least once every five years. Through hands-on exhibits and 15 ANU science communication graduates, young Australians achieve a greater understanding of science and technology. The SQSC program provides extensive teacher in-service training and Internet resources to sustain the benefits of the experience.

During 2001–02, the SQSC, Questacon's main outreach program, travelled to five states, the Northern Territory and the Australian Capital Territory with a total audience of 140 343 people.

In response to an external evaluation done in 2000–01, the SQSC modified its programs to include tours of Indigenous communities, and placed greater emphasis on secondary students and teachers in 2001–02. The response from Indigenous communities has been enthusiastic and feedback confirms Questacon is achieving its goal to provide science education access to as broad an audience as possible.

Reaching out to secondary school students and their teachers recognises that this group is of major importance in enabling Australian science and technology to grow and prosper.



A Western Cape College student solving a hands-on maths puzzle developed by Questacon Outreach Programs as part of a series of workshop activities in Weipa, Queensland.



A young Torres Strait Island student with his construction project developed by Questacon Outreach Programs as part of a series of student workshop activities in Weipa, Queensland.

Smart Moves outreach program

The Minister for Communications, Information Technology and the Arts, Senator Richard Alston, launched the *Smart Moves* outreach program in February 2002. The Program introduces cutting edge science and technology to regional and rural secondary students, encouraging entrepreneurial science and technology career choices.

In 2001–02, the *Smart Moves* program reached 8253 students and their teachers, 348 community/business representatives and 328 other interested parties including members of local councils, media and conference delegates.

Development work

Enhancing its science communication activities and involvement in the global science centre industry was a major focus for Questacon this financial year. Key achievements include signing a cooperation agreement with Japan's Museum of Emerging Science and Innovation in February 2002.

In February 2002, Questacon hosted the *3rd Science Centre World Congress* in Canberra, attracting 440 delegates from 39 countries. The Congress focused on issues facing science centres throughout the world and their important role in developing public understanding of science and technology. This raised Questacon's profile as one of the world's leading science centres and provided new opportunities for international collaboration.

The Director of Questacon, Dr Annie Ghisalbarti, was the first person outside Europe and North America to be elected to the board of the Association of Science and Technology Centres, the largest and most influential international organisation in the science centre field.

Revenue generation

Questacon's price per participant for the 2001–02 financial year was \$19.08, including capital usage charge (CUC) and is calculated as follows:

Table 6: Calculating Questacon's price per participant for 2001–02

Total expenses for 2001–02	23 298 000*
Total visitor numbers for 2001–02	1 220 984 = \$19.08 per person
*Operating expenses	19 420 000
Capital use charges (CUC)	3 878 000
Total	23 298 000

Questacon's price per participant for this financial year is 4.8 per cent higher than the \$18.20 estimated. This is due to extraordinary visitor numbers in the previous financial year, including the effect of the Olympics. In addition, Questacon's operating expenses for this financial year includes \$3 261 000 of abnormal expenditure related to asset revaluation.

This reporting period, Questacon's revenue was higher than its budget forecast by \$295 000. This is attributable to an increase in revenue of \$140 000 from the sale of goods and services, an \$84 000 increase in interest income and \$96 000 higher than expected turnover in the Q-Shop.

Revenue items performing below forecasts were Questacon sponsorships which showed a decrease of \$33 000 and venue hire which showed a \$46 000 decrease.

The tightening Australian business environment during 2001–02 meant that Questacon's progress in securing sponsors was slower than envisaged, although keeping pace with the level in 2000–01. A highlight of the year was the Shell company's renewed sponsorship commitment to the Shell Questacon Science Circus in February 2002. The partnership with Shell now represents one of the longest and largest sponsorships of a cultural institution in Australia.

Questacon continued to seek major sponsorship for further development of the *Smart Moves* program. This included fostering a presence at the Australian Technology Park in Sydney.

Evaluations

Internal audits and evaluations continue to be performed regularly. Surveys assessing levels of customer satisfaction and performance against the Customer Survey Charter standards are reviewed.

A research project conducted by the University of Canberra Centre for Tourism Research and Cooperative Research Centre for Sustainable Tourism provided valuable information from key audiences about branding, perception, visitor experience and habits.

Outcome 4

Increased use, enjoyment and safety of Australia's audiovisual heritage.

Resources for outcomes → Outcome 4

	(1) Budget* 2001–02 \$'000	(2) Actual expenses 2001–02 \$'000	Variation (column 2 minus column 1) \$'000	Budget** 2002–03 \$'000
Administered expenses (including third party outputs)	-			-
Total administered expenses	-			-
Price of Departmental outputs				
Output 4.1 – A high quality, safe and accessible national audiovisual collection	36 361	37 077	716	36 153
Output 4.2 – The national audiovisual collection is widely accessed by the public	12 520	11 874	(646)	12 457
Revenue from Government (Appropriation) for Departmental outputs	40 939	40 939	0	40 587
Revenue from other sources	7 942	8 012	70	8 023
Total price of outputs	48 881	48 951	70	48 610
TOTAL FOR OUTCOME 4 (Total Price of Outputs and Administered Expenses)	48 881	48 951	70	48 610

* Full-year budget, including additional estimates

** Budget prior to additional estimates

Average staffing level	2001–02	2002–03
	225	213

Performance indicator index

Performance indicator	PBS page reference	Annual Report page reference
Departmental outputs		
Output 4.1 > A high quality, safe and accessible audiovisual collection	64	87
Output 4.2 > The national audiovisual collection is widely accessed by the public	64	91
Evaluations	65	93

Outcome 4

Increased use, enjoyment and safety of Australia’s audiovisual heritage.

ScreenSound Australia, the National Film and Sound Archive, develops and maintains an audiovisual collection reflecting Australian culture and the audiovisual industry, and encourages the access and use of the collection throughout the country.

ScreenSound Australia has a high level of expertise in restoring a broad range of film, video and audio artefacts and, where necessary, transferring their content to modern media for preservation and access.

The collection is large and continues to grow, reflecting the significant output generated throughout Australia. ScreenSound Australia nurtures partnerships with external experts and commercial organisations with a view to ensuring that the quality of the collection continues to increase. Consultancies and training programs are also conducted for overseas archives and organisations. The collection is housed in environmentally-controlled facilities and is monitored to ensure its safety.

Departmental outputs

Output 4.1: A high quality, safe and accessible national audiovisual collection.

Performance indicators	
	<ul style="list-style-type: none">• One hundred per cent of new acquisitions accessioned within 18 months.• Materials maintained in optimum conditions for 95 per cent of the time.• Materials acquired meet identified collection priority needs and formal preferences.• 47 000 items accessioned in 2001–02.• 1.2 million items stored.• 14 000 items acquired into the collection.• Priority items for disposal removed from the collection.

Collection management

ScreenSound Australia achieved its aim of fully accessioning 100 per cent of new acquisitions within 18 months. In addition, it entered all new collection acquisitions into the collection management system database (MAVIS) at least to minimal registration level within three months of receipt.

In 2001–02, major activities included developing and implementing a registration process to improve ScreenSound’s capacity to document all ‘backlog’ and new items into the collection quickly and effectively. Staff also implemented a collection security project, conducting a stocktake of the collection and identifying surplus or extremely deteriorated material and removing it, and registering all collection items in the ‘backlog’ to be retained in the MAVIS database.

As illustrated in Graph 9, a total of 84 465 items were entered into ScreenSound’s collection management system database during 2001–02. This represents an increase of 80 per cent above the annual target of 47 000 items, and is related directly to the implementation of the new streamlined registration process and the particular focus on documenting the backlog.

ScreenSound stores some 1.3 million items. ScreenSound has a deselection process as a means of refining its collection. During 2001–02, 100 000 items were removed from the collection after a review of deselection protocols. The majority of deselected items this financial year were 62 000 international vinyl recordings which were sold publicly in March, raising \$60 000.

Collection preservation

Major preservation activities included continuing work on analysing storage options to deal with the predicted long-term growth of ScreenSound’s collection. This involved improving existing storage infrastructure to optimise spare capacity in current facilities in the short term—up to five years—and ongoing risk management activities specifically for preservation film, U-matic videos and documentation material.

Staff also carried out preservation work on 217 400 feet of film for the *Kodak/Atlab Cinema Collection* project and 11 560 feet as part of its support for the *Distributed National Collection* and international archives.

During 2001–02, optimum environmental storage conditions at ScreenSound’s Mitchell facility in relation to relative humidity were achieved for 95 per cent of the time and in relation to temperature for 97 per cent of the time. These results are within the prescribed performance indicators and ensure ScreenSound’s long-term preservation requirements for collection items are met.

Graph 9: Total number of collection items accessioned at ScreenSound Australia

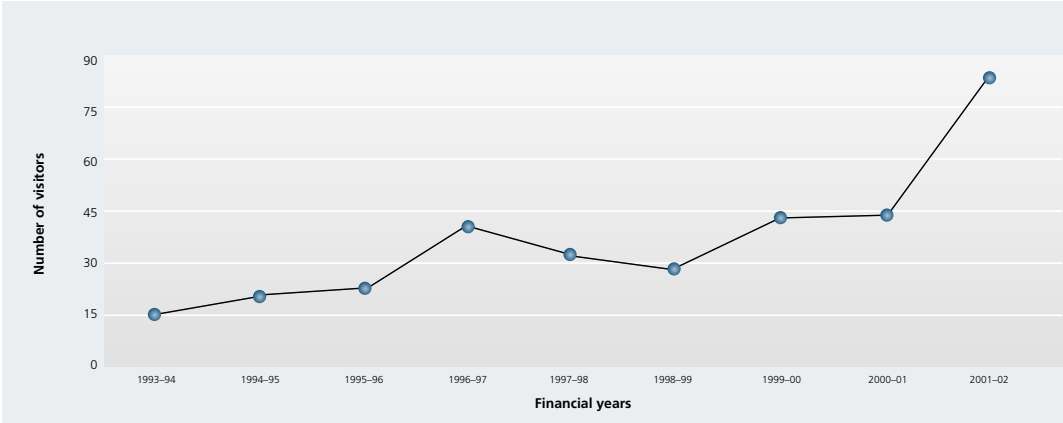


Table 7 : Summary of key preservation activities for 2001–02

Activity	2000–01	2001–02	Percentage (%) increase/decrease
Treated for preservation			
Film (in feet)	187 270	157 000	-17 ¹
Audio and video carriers	1806	2404	+33
Collection development and access items produced			
Audio and video carriers	3425	4522	+32
Film (in feet)	12 447	77 020	+519
Documentation carriers	1338	797	-40 ²

¹ The decrease of film treated for preservation is due to the priority given to the special projects *Big Screen 2001* and *Big Screen 2002* for which over 52 000 feet were copied.

² The decrease of documentation access items being produced is due to the finalisation of a special digitisation project which ran during 2000–01.

Other major activities this financial year included providing specialist professional advisory and copying services to various national and international organisations including the National Archives of Australia, the Australian Broadcasting Corporation, the Australian War Memorial, State Library of South Australia, Central Australian Aboriginal Media Association, Powerhouse Museum, National Maritime Museum, the Percy Grainger Museum in Melbourne, Vanuatu Cultural Centre, the Tjibaou Cultural Centre of New Caledonia and the Laos Film Archive.

ScreenSound also reconstructed the Australian classic film *The Sentimental Bloke* (1919) incorporating recently sourced new material found in the United States.

During the year, ScreenSound completed a new digital audio platform and upgrade of digital video encoding facilities which enabled it to manage audio and video sourced content in data form for both preservation and access purposes.

The preservation management component of the system will be fully achieved with the installation of a robotic tape library system in early 2002–03.

For the period 2001–02, the website attracted an average of 26 724 visitors per month, with 320 686 visitors for the year. The average duration of site visits was approximately 12 minutes, with an average 136 965 pages viewed by visitors each month.

The Online Collection Catalogue, Technical Glossary, ScreenSound Club and technical helpdesk are the most popular areas for site visitors.

A variety of scientific research continued throughout the year into providing more economic management. Notable examples include research on rejuvenating and preserving badly water damaged acetate film, and work on film can ventilation to extend the life of stored film.

The automation of the management of the technical services supply chain was slowed in the face of other more immediate priorities and emerging collection management complexities. The project will be resumed and completed in 2002–03.

Collection development

All acquired items gaps filled in, making it more reflective of overall Australian output.

Major collection development activities during the 2001–02 financial year included reviewing the Collection Development and Indigenous Materials Policies and developing a Distributed National Collection Policy. This ensures current collection needs are recognised and addressed and increase the profile of ScreenSound within the Australian music industry.

In addition, during the year 205 000 database entries were upgraded to improve the quality of collection information, an increase of 32 per cent from the previous financial year, due to the registration and collection security projects. Descriptive and technical information on 12 600 documentation items was added to the database during the year, including a wide range of radio serial, television and film scripts which brought the total script collection listed in the database to more than 30 000 items.

ScreenSound Australia completed a specialised subject listing for oral histories, providing improved information and access to this part of the collection. It also collaborated with the National Library of Australia to develop *Music Australia*—a web-based service for digitised Australian music resources (both historical and contemporary).

A stocktake of more than 300 000 preservation and duping audiovisual items listed in the database, was conducted during 2001–02, and improvements made to the follow-up process for items that have been out of the vaults for too long.

ScreenSound Australia acquired a total of 18 646 items for the collection during 2001–02, an increase of 19 per cent over 2000–01 and an increase of 33 per cent against the target figure of 14 000 items. Work continued with other government and commercial audiovisual media organisations to refine the mechanisms for the automatic lodging of contemporary materials into the National Collection.

Acquisitions for the ScreenSound Australia collection comprise both contemporary and retrospective material. This year, items acquired included:

- 207 Australian Film Commission or Australian Film Finance Corporation-funded film and television titles;
- 515 commercially released films;
- 1550 radio titles;
- 4248 television titles;
- 3984 sound recordings;
- 88 new media titles;
- 278 home movie titles;
- 153 oral histories;
- 196 advertisements;
- 111 other titles; and
- 7066 documentation items.

Significant acquisitions for this reporting period included:

- 2001 Federal Election material televised around Australia;
- coverage of the World Trade Centre Disaster Special on 12–13 September 2001;
- substantial donations from recording companies such as EMI, BMG, Festival Mushroom, Universal and Vibe;
- collections from Dave Graney and Tex Perkins;
- *Media Magazine* selection (a current affairs program from 1986–1999) from Radio 2SER;
- original film footage featuring events in Canberra's Greek community during the 1950s; and
- feature films, such as *Feeling Sexy* (d. Davida Allen, 1999), *Lantana* (d. Ray Lawrence, 2001), *The Missing* (d. Manuela Alberti, 1998), *The Boys* (d. Rowan Woods, 1997), *The Man Who Sued God* (d. Mark Joffe, 2001) and *Love and Other Catastrophes* (d. Emma Kate Croghan, 1996).

Output 4.2:
The national audiovisual collection is widely accessed by the public.

Performance indicators	<ul style="list-style-type: none">• 95 per cent of visitors to onsite exhibitions and participants in public outreach activities satisfied.• 95 per cent of clients serviced according to the Service Charter.• 3000 access requests serviced.• 9500 access enquiries received.• 65 per cent (12.35million people) of the Australian public view or listen to at least one item from the collection during the year, via media distribution channels.• 90 000 onsite visitors to exhibition, public, education and cultural outreach programs.• 58 000 visitors to external programs.• 200 000 people view/listen to ScreenSound Australia products.
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ScreenSound Australia’s national collection is accessed via programs broadcast on Australian television and radio. Partnerships with industry, researchers, producers and performers are actively encouraged to ensure the widest possible use of the collection and its presentation to a diverse cross-section of Australian viewers and listeners.

Access to the national collection is also gained through a wide range of ScreenSound Australia’s public programs including exhibitions, live presentations, cultural outreach, film screenings and products.

ScreenSound conducted a review its Service Charter during the year in consultation with stakeholders and clients, and reviewed and updated its Access and Public Programs policy to ensure current needs are addressed.

Collection promotion, interpretation and dissemination

Formal surveys of clients who visited ScreenSound Australia’s exhibitions or attended live presentations, screenings and outreach activities resulted in ratings of good to excellent overall by 98 per cent of clients.

Exhibitions for ScreenSound Australia for the 2001–02 financial year included:

The *Sights + Sounds of a Nation*, a major ScreenSound Australia exhibition, which explores 100 years of Australian film, television, radio and recorded sound heritage completed its first full year in 2001–02. Items in the collection were changed three times during the year.

Smaller exhibitions during the year included *The Star Spangled Manner*, depicting the involvement of Americans in the early years of television in Australia and *Off the Wall*, an exhibition of poster art for rock music events, showcasing some of Australia’s influential poster artists.

Outreach screening activities in Canberra included *The Flicks*, weekly screenings in ScreenSound theatre, *Movies, Melodies and Moonlight*, outdoor film screenings over summer, the Multicultural Film Festival, Science Week and *Tropfest*, an outdoor screening at the Carillon in collaboration with the National Capital Authority in Canberra.

External screenings included programs such as *Salute to ASDA: 21 Years, Australia on Mondays*—Astor Theatre, Melbourne—and participation in film festivals such as the St Kilda Film Festival, Melbourne International Film Festival, Sydney Film Festival, Dungong Autumn Festival (New South Wales), Proserpine Centenary Film Festival (Queensland) and Morningson Island Film Festival.

Public access to the ScreenSound Australia Collection

ScreenSound Australia’s client centres in Canberra, Melbourne and Sydney serviced 2670 access requests through the year, representing an increase of 241 requests or ten per cent, from the previous financial year.

Staff also responded to a total of 9788 ‘initial’ enquiries, a decrease of 802 or seven per cent from 2000–01. Research access to the collection is enhanced by improvements to the online collection database. More than half of access requests in 2001–02 were made electronically, an increase of 32 per cent from the previous financial year.

At least 65 to 70 per cent of Australia’s population viewed or listened to some part of the National Collection during the year via media distribution channels. This equates to a minimum of 12–13 million people.

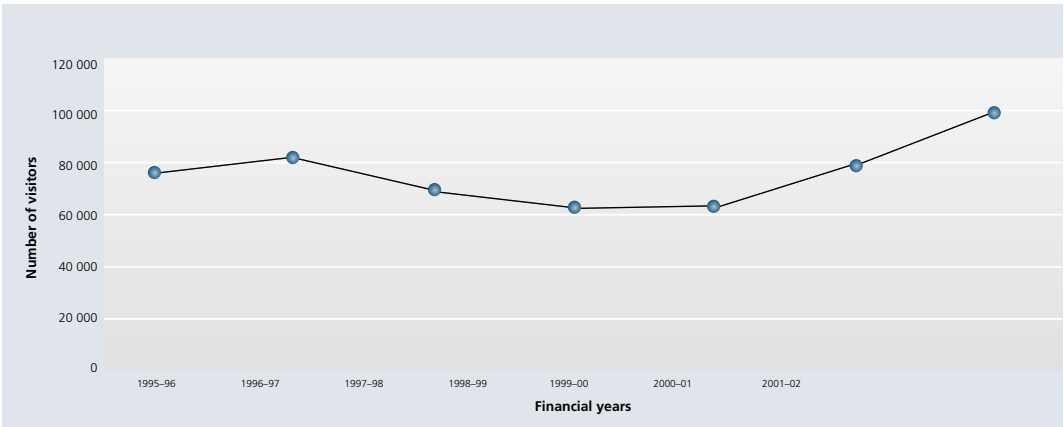
Major activities for this financial year included curating a component of, and providing footage for, costume and documentation materials for *Spinning Around: 50 Years of Festival Records*, a touring Powerhouse Museum exhibition that opened in Sydney in November 2001. Staff also provided sound recordings and footage for the *Between the Sheets: A Century of Australian Music* exhibition at the National Library of Australia, which opened in August 2001.

ScreenSound Australia provided a number of Australian television and radio program broadcasters with archival material from its collection including: *Shackleton* (Channel 4, United Kingdom), *Four Corners* (ABC), *The Today Show* (Nine Network), *Logie Awards telecast* (Nine Network), *Sunday* (Nine Network) and *Long Way to the Top* (ABC). It also contributed footage for the House of Representatives’ 100 year commemorative documentary and CD ROM, *House of the Nation*.

Visitors to ScreenSound Australia exhibitions, presentations, screenings or events increased by 25 per cent from the previous financial year, representing 97 164 visitors. Attendance numbers at programs external to Canberra increased by 106 per cent to 75 369 people, and 342 000 people viewed or listened to one of ScreenSound’s collection-based products, a decrease of four per cent from the previous financial year.

Major touring exhibitions for ScreenSound Australia for the 2001–02 financial year included *Big Screen: A Celebration of Australian Cinema*, which visited 24 regional centres in all States and the Northern Territory during 2001–02 and was seen by an audience of 31 366 people. The exhibition was presented in partnership with the Australian Film Commission and supported by the National Council for the Centenary of Federation and the Department of Communications, Information Technology and the Arts.

Graph 10: Visitors to ScreenSound Australia’s Canberra premises



International screenings events included *Gallipoli* (1980) and *The Man From Snowy River* (1981)—with an audience of 1 300 people in Hanoi; *Pearl of the South Seas* (1926)—screened at the Margaret Mead Film and Video Festival in New York; *The Chant of Jimmie Blacksmith* (1978)—screened at the Loyola Marymount University in Los Angeles; and a program of eight Indigenous films screened at the Musée de L’Homme in Paris.

During the financial year, ScreenSound also participated in collaborative screenings including an Indigenous film seminar with the Australian Institute of Aboriginal and Torres Strait Islander Studies; *Tracking Kultja* screenings and workshops with the National Museum of Australia; *Wildscreen*, an environment film festival; and the Canberra Short Film Festival.

ScreenSound Australia made a record number of educational presentations to booked groups totalling over 41 000 visitors (mostly students). More than 5000 independent visitors also attended the *Introducing ScreenSound* presentations and the *Travelling Film and Sound Show* entertained 730 people at Corowa, 5933 people at Floriade and 1315 people at the National Folk Festival in Canberra.



Young visitors shown how to produce sound effects at ScreenSound Australia's *Sights and Sounds of a Nation* exhibition

ScreenSound Australia added 12 new products to its range including *Bayside Reflections Part Two: The Top End* (video); *Cops, Spies & Private Eyes on Australian Television 1956–2001* (video); *The Man from Hong Kong* (1975, DVD); *Nellie Melba: Aria and Song* (CD); *Dick Parry – Tasmania's Yodelling Hillbilly* (CD); and *Don't Worry Baby, They'll Swing Their Arses Off* (publication). Twenty-two compiles of regional footage were also produced to accompany *Big Screen 2001*.

Evaluations

Client service

Formal feedback from ScreenSound Australia's clients during the year included 51 letters complimenting staff performance, programs and technical services and one written complaint in relation to the quality of the content of one of the organisation's products. Staff dealt promptly with this complaint, offering an alternative product in exchange.

ScreenSound conducted a review of its Service Charter during the year in consultation with stakeholders and clients, assessing the relevance and effectiveness of the document, and reviewed and updated its Access and Public Programs policy to ensure current needs are addressed.

Management and accountability

Department of Communications, Information
Technology and the Arts

Management and accountability index

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Management and accountability

Corporate Governance

Senior executives and their roles

The Department's organisational chart is located on pages 18–19 of this report.

The Executive

Ms Helen Williams AO, Secretary

Ms Fay Holthuizen, Executive Director, Communications

Dr Alan Stretton, Acting Executive Director, Arts and Sport

Communications

Mr Chris Cheah, Chief General Manager, Telecommunications

Ms Susan Page, Chief General Manager, Broadcasting and Intellectual Property

Dr Beverly Hart, Chief General Manager, ICT Industry

Mr Brenton Thomas, General Manager, Enterprise and Radiocommunications

Mr Colin Lyons, General Manager, Telecommunications Competition and Consumer

Mr Simon Bryant, General Manager, Regional Communications Policy

Mr James Barr, General Manager, Networking the Nation

Mr David Luck, General Manager, Research, Statistics and Technology

Mr Michael Sutton, General Manager, ICT Innovation Branch

Mr Philip Allnutt, Acting General Manager, ICT Industry Development

Dr Simon Pelling, General Manager, Framework for the Future Task Force

Mr James Cameron, General Manager, Digital Broadcasting

Mr Rohan Buettel, General Manager, Public Broadcasting

Mr Gordon Neil, General Manager, Licensed Broadcasting

Ms Kylie Brown, Acting General Manager, Intellectual Property

Arts and sport

Mr Arthur Blewitt, Chief General Manager, Old Parliament House

Mr Les Neilson, General Manager, Arts

Ms Karen Gosling, General Manager, Cultural Development

Ms Megan Morris, General Manager, Sport

Ms Helen Nosworthy, Acting General Manager, Film and New Media

Corporate and coordination

Mr Craddock Morton, Chief General Manager, Corporate and Business

Mr Len Marsden, General Manager Knowledge and Information Services

Mr Kim Allen, Acting General Manager, Legal, Parliamentary and Coordination

Ms Jennifer Gale, Chief Financial Officer

Questacon

Dr Annie Ghisalberti, Director

ScreenSound Australia

Mr Ron Brent, Director

Ms Mary Durkin, Deputy Director

Ms Pam Saunders, Deputy Director

Senior management committees

The Department's corporate committees form an important element of the Department's governance and leadership framework. The committees support the Secretary and the Executive through strategic management, policy setting and assurance advice.

Table 8: The Department's senior management committees for 2001–02

Committee name	Role	Membership
Executive Management Group <i>Meets weekly</i>	<p>Advises the Secretary on matters of corporate governance, accountability and operational effectiveness. It plays a key role in the Department's strategic planning, resource allocation and performance monitoring.</p>	<p>The Secretary, Helen Williams (Chair), Executive Directors, Chief General Managers, General Manager Legal, Parliamentary and Coordination and the Chief Financial Officer.</p>
Senior Management Group <i>Meets weekly</i>	<p>Forum for information sharing and discussing major issues</p>	<p>Executive Management Group, plus General Counsel and Manager, Corporate Communications.</p>
Audit, Risk and Evaluation Committee <i>Meetings held on 13 September and December 2001, and 13 March and June 2002.</i>	<p>The Audit, Risk and Evaluation Committee provides independent advice to the Secretary and the Executive on financial management, risk management and audit activities. It helps the Secretary comply with all legislative and other obligations relating to financial management.</p> <p>In February 2002, the Terms of Reference for the Audit, Risk and Evaluation Committee were replaced with a new Charter. The new Charter provides for the Secretary to appoint a Committee member as Chairperson. It also makes provision to invite an 'outside' representative to the Committee to provide an external perspective or bring to the committee skills and knowledge it may not otherwise possess.</p>	<p>Ms Fay Holthuyzen, Executive Director, Communications (Chair), Mr Peter Kennedy, External member (Integrity Adviser, ATO), Chief General Manager Corporate and Business Division, General Manager, IT Industry Development, General Manager, Cultural Development, Director, National Science and Technology Centre</p> <p>Representatives from the Australian National Audit Office, the Department's internal auditors (KPMG) and the Chief Financial Officer attend Committee meetings as observers.</p>
Workplace Consultative Committee <i>Meetings held on 24 May and 29 November 2001, and 3 April and 25 June 2002.</i>	<p>The Workplace Consultative Committee (WCC) was established under the Department's Agreement 2000 to consult with staff and provide advice to management on workplace issues, oversight implementation of the current Certified Agreement and to provide input for the Department's successor agreement.</p>	<p>The Secretary, Helen Williams (Chair), Chief General Manager Corporate and Coordination, the Human Resources Manager, Chief Financial Officer, elected staff representatives from each division, Old Parliament House and the Department's Graduate Program, and one union representative.</p>
Information Management Committee <i>Meetings held in September, October and November 2001, and March and June 2002.</i>	<p>The Information Management Committee provides strategic advice and direction in the management of the Department's information needs. It is a sub-Committee of EMG and met three times during 2000–01.</p> <p>This reporting period, the Committee considered a range of issues including service level achievement under the IT outsourcing contract, knowledge management strategy, online initiatives, the Department's new website, rollout of the standard operating environment, IT security policies, email and Internet usage guidelines, and the PC refresh program.</p>	<p>Mr Craddock Morton, Chief General Manager Corporate and Business (Chair), Chief General Manager Arts and Sport, General Manager Broadcasting and Intellectual Property, General Manager Regional Communications Policy, General Manager ICT Innovation, General Manager Knowledge and Information Services, Chief General Manager Information Industries NOIE, and Manager Corporate NOIE.</p>

Joint Management Committee <i>Meetings held on 11 September, 25 October, and 28 November 2001 and 15 March, 27 March and 14 May 2002.</i>	The Joint Management Committee (JMC) was established under the Human Resources Outsourcing Agreement to review and monitor progress under the contract and report as appropriate.	Chief General Manager Corporate and Business, Craddock Morton (Chair), HR Contract Manager, General Manager HR Outsourcing, the Empower Group and the HR Manager.
HR Reference Group <i>Meetings held on 11 September, 25 October and 28 November 2001 and 15 March, 27 March and 14 May 2002.</i>	The HR Reference Group works with the JMC to provide strategic direction for the delivery of human resource (HR) services to both Department and NOIE and to guide HR activities and project development.	Chief General Manager Corporate and Business, Craddock Morton (Chair) JMC Members, General Manager Sport, Chief General Manager Telecommunications, Chief General Manager Broadcasting and Intellectual Property, General Manager Corporate and Governance NOIE, Chief General Manager Regulation and Analysis Group NOIE and HR representatives as required.



From L to R: front row, Gordon Neil, Alan Stretton, Helen Williams (Secretary), Fay Holthuyzen, James Barr, Rohan Buettel, James Cameron, second row, Susan page, Simon Bryant, Michael Sutton, Beverly Hart, Simon Pelling, Richard Thwaites, Phillip Allnut, Craddock Morton, Ron Brent, back row, Brenton Thomas, Col Lyons, Jennifer Gale, Kylie Brown, Mary Durkin, Arthur Blewitt, Pam Saunders, Helen Nosworthy, Kim Allen.

Absent: Chris Cheah, Annie Ghishalbarti, Karen Gosling, David Luck, Len Marsden and Megan Morris.

Business planning

The Department's Strategic Plan for 2000–03 provides the broad strategic directions and key priorities which the Department pursued in 2001–02 to encourage the development of communications, information technology, the arts and sport in Australia and to achieve outcomes which meet the Commonwealth Government's objectives for these sectors.

The Strategic Plan is supported by an annual Business Plan that details key priorities/initiatives and performance indicators for 2001–02. The Department's Strategic and Business Plans are underpinned by divisional business planning activities and the Department's performance management system, which guides the management of individual and team performance.

Internal audit

The Department's internal audit services are provided by KPMG. Following consideration of the Department's Risk Management Plan and discussion with senior management, and in line with the Strategic Audit Plan for 2000–02, a more detailed Annual Audit Plan for 2001–02 was developed by the auditors and subsequently approved by the Audit, Risk and Evaluation Committee. Assignments conducted this reporting period as part of the Annual Audit Plan were:

- management of portable and attractive items;
- government online implementation;
- quality assurance of the Empower human resource management information system;
- quality assurance of procedures manual—mobile phones on highways; and
- capital development projects at Questacon—Business Partners.

One assignment identified in the Plan, Human Skills Management, is expected to be undertaken in 2002–03. In addition, KPMG undertook a number of ad-hoc assignments including random reviews of programs administered by the Department including NTN.

Risk management

The Department's Risk Management Policy and Guidelines aim to ensure that the Department systematically identifies and proposes strategies to manage risk and applies cost-effective risk management practices. The Risk Management Plan 2001–02 was developed as part of the business planning process, to ensure focus on factors critical to the successful achievement of the Department's objectives and goals.

Fraud control

The Department is committed to effective fraud management and control and to the minimisation of fraud through the identification of risk and the development, implementation and regular review of a range of fraud prevention and detection strategies.

Ethical standards

The Department is committed to supporting and promoting the Australian Public Service Values and Code of Conduct in accordance with the *Public Service Act 1999*. The APS Values and Code of Conduct are integrated into the performance management process.

Senior Executive Service remuneration

The Secretary determines Senior Executive Service (SES) remuneration. In setting remuneration levels, consideration is given to Departmental and individual performance outcomes and market forces, taking into account the outcomes of the annual Department of Employment, Workplace Relations and Small Business SES Remuneration Survey. The Secretary also determines the remuneration for the heads of ScreenSound Australia and Questacon which are SES positions.

External scrutiny

The Australian National Audit Office (ANAO) issued a number of reports in the 2001–02 financial year that were either of specific or general interest to the Department. Audits in which the Department participated were:

No. 1: Control Structures as part of the Audits of the Financial Statements of Major Commonwealth Entities for the Year Ended 30 June 2001 (tabled 09/07/2001)

The ANAO reviewed the business operations and corporate governance arrangements for the Department. The ANAO recommended that remedial action be taken in relation to information technology environment control issues. The Department accepted the findings, and agreed to implement remedial action.

No. 5: Parliamentarians' Entitlements: 1999–00 (tabled 07/08/2001)

The ANAO made 28 recommendations regarding Parliamentarian entitlements. Recommendation two relates to opportunities for review of the overall framework for Parliamentarians' entitlements, and the remaining recommendations are directed towards strengthening the stewardship of public money, improving the services provided to Parliamentarians and enhancing public disclosure within the current Parliamentary entitlements system. The Department agreed with the recommendations regarding review of approval and payment of account procedures, the establishment of a comprehensive accountability framework, policies and procedures for Ministerial expenditure, and coordination arrangements.

No. 11: Administration of the Federation Fund Program (tabled 19/09/2001)

The ANAO made a number of comments on the assessment process used to evaluate applications for funding under the Federation Fund program, the Ministerial appraisal process, and the management of projects approved for funding under the program, including performance reporting. The ANAO set out a range of administrative improvement opportunities to

enhance the achievement of program outcomes for future financial assistance programs of a like nature to the Federation Fund. The Department accepted and endorsed the content of the report, pointing to various lessons learnt which will be incorporated into future management of similar program.

No. 12: Selection, Implementation and Management of Financial Management Information Systems in Commonwealth Agencies (tabled 20/09/2001)

The recommendations made by the ANAO in this report provided agencies with elements of a basic framework which could be adopted in the selection, implementation and management of financial management information systems. The Department agreed with the contents of the report, considering the recommendations as representative of aspects of better practice in relation to financial management information systems, and more generally, for procurement, project management and IT management for high-value IT assets.

No. 23: Broadcasting Planning and Licensing (tabled 07/12/2001)

The ANAO made seven recommendations aimed at improving the Australian Broadcasting Authority's (ABA) management of broadcasting planning and licensing. The ABA agreed with the findings of the ANAO.

No. 29: Audits of the Financial Statements of Commonwealth Entities for the Period Ended 30 June 2001 (tabled 21/12/2001)

The ANAO reviewed the results of financial statement audits, and noted a number of issues in relation to the preparation of financial statements and the management and reporting of special accounts. Strategies are being put in place by management to address these weaknesses.

No. 36: Benchmarking Implementation and Production Costs of Financial Management Information Systems (tabled 13/03/2002)

The ANAO set out opportunities for agencies to improve their financial management information systems. Particular opportunities identified by the ANAO included the use of key selection criteria in the product evaluation process, developing systems and practices to identify and capture whole-of-life costs of implementing and maintaining financial management information systems, processes for monitoring and upgrading products, and implementation and production teams to support the system. The Department agreed with the conclusions and opportunities presented in this report.

No. 53: Goods and Services Tax Administration by Commonwealth Organisations (tabled 29/05/2002)

The ANAO made a number of recommendations regarding responsibility, accountability and risk assessments in relation to goods and services tax (GST) issues, GST processing in compliance with legal obligations, preparation of Business Activity Statements and reporting processes, and management of GST transactions. The Department responded positively to the recommendations.

Audits in which the Department had a special interest were:

- No. 15: Agencies' Oversight of Works Australia Client Advances (tabled 02/12/2001);
- No. 25: Accounts Receivable (tabled 07/12/2001); and
- No. 40: Corporate Governance in the Australian Broadcasting Corporation (tabled 08/04/2002).

Audits in which the Department had a general interest include:

- No. 3: The Australian Taxation Office's Administration of Taxation Rulings (tabled 17/07/2001);
- No. 8: Disposal of Infrastructure, Plant and Equipment (tabled 07/08/2001);

- No. 10: Management of Bank Accounts by Agencies (tabled 17/09/2001);
- No. 13: Internet Security within Commonwealth Government Agencies (tabled 20/09/2001);
- No. 18: Performance Information in Portfolio Budget Statements (tabled 01/11/2001);
- No. 19: Payroll Management (tabled 15/11/2001);
- No. 21: Developing Policy Advice (tabled 20/11/2001);
- No. 22: Personnel Security—Management of Security Clearances (tabled 04/12/2001);
- No. 27: Agency Management of Software Licensing (tabled 17/12/2001);
- No. 28: An Analysis of the Chief Financial Officer Function in Commonwealth Organisations (tabled 21/12/2001);
- No. 33: Senate Order of 20th June 2001 to February 2002 (tabled 25/02/2002);
- No. 34: Management of Travel-Use of Taxis (tabled 25/02/2002);
- No. 41: Transactional Banking Practices in Selected Agencies (tabled 15/04/2002);
- No. 45: Recordkeeping (tabled 01/05/2002);
- No. 61: Managing People for Business (tabled 25/06/2002);
- No. 62: Benchmarking the Finance Function Follow-on Report (tabled 26/06/2002);
- No. 64: Management of Learning and Development in the Australian Public Service (tabled 28/06/2002);
- No. 65: Management of Commonwealth Superannuation Benefits to Members (tabled 28/06/2002); and
- No. 67: Control Structures as part of the Audit of Financial Statement of Major Commonwealth Entities for the Year Ending 30 June 2002 (tabled 28/06/2002).

The Department’s Finance, Audit and Evaluation Committee (FAEC) considered relevant recommendations by the Auditor-General. Details of the audit reports can be found at www.anao.gov.au.

Judicial decisions and decisions of administrative tribunals affecting the operations of the Department

Telstra Corporation Limited & Ors v Hurstville City Council & Ors; Optus Vision Pty Ltd & Ors v Warringah Council & Ors [2002] FCA 385

On 4 April 2002, the Full Court of the Federal Court allowed an appeal by Telstra Corporation Limited and Optus Vision Pty Ltd challenging decisions of various local government bodies in Sydney and Melbourne to levy rates and charges on Telstra and Optus in respect of the land or airspace occupied by their telecommunications cables. The Court held the rates and charges had the effect of discriminating against a carrier, or carriers generally, contrary to clause 44(1) of Schedule 3 to the *Telecommunications Act 1997* and therefore to that extent were of no effect under section 109 of the Constitution. It seems likely that the local councils will seek leave to appeal to the High Court from this decision.

Commonwealth Ombudsman

In 2001–02, the Ombudsman received eight complaints regarding departmental actions. Two of these complaints were received from the Australian Capital Territory, four from New South Wales, and two from Victoria.

Of the eight complaints received, seven matters were closed. The following Table 9 shows the nature of the complaints closed during the 2001–02 financial year.

Of the complaints closed, the Ombudsman investigated one complaint, and exercised the discretion not to investigate the remaining six complaints. In relation to the complaint investigated, the Ombudsman found there was no defective administration. The Ombudsman made no recommendations for act of grace payments.

With regard to the six complaints where the Ombudsman exercised the discretion not to investigate, three complaints were referred back to the Department, one complaint was withdrawn by the complainant, and for the remaining two complaints, the Ombudsman concluded that investigation was not warranted in all the circumstances.

The final complaint received by the Ombudsman in 2001–02 was not closed. This matter is currently being reviewed by the Department, and will be reported on in the next annual report.

Table 9: Complaints closed during 2001–02

Nature of complaint	Core business	Freedom of information	Tender/ contract
Number of complaints	3	3	1

Parliamentary Committees

The Department appeared before and made a number of submissions to inquiries by Parliamentary committees during the year, including:

Senate Environment, Communications, Information Technology and the Arts References Committee.

Inquiry into ABC Online (Final Report)

Tabled: 28 March 2001

Government Response: 5 October 2001

The second part of the Inquiry was designed to examine the need for any extension to legislation to ensure the delivery of an independent, innovative and comprehensive online service. The Committee concluded that—following the rigorous level of questioning to which the Australian Broadcasting Corporation (ABC) had been subject during Senate Estimates and the extensive debate on the issue in the Senate—at this point in time there was no need for any extension to legislation. For this reason, the Committee resolved to take no further action on the second part of the Inquiry.

A minority report from Labor Senators restated their support for legislative measures to prohibit advertising on any ABC services and the inclusion of new digital services as core ABC functions in the ABC Act. Similarly, a minority report from Democrat Senator Vicki Bourne noted that the Democrats would introduce a Private Senator's Bill to prohibit advertising and sponsorship on ABC Online.

The Government's response noted that, under the provisions of the ABC Act, the management of the ABC is a matter for the Board and ABC Executive. The Government noted the Committee's Final Report which states 'at this point in time, any extension to legislation to ensure that the ABC is able to effectively provide an independent, innovative and comprehensive service in the online delivery environment is not warranted' (p.1). The Government supported the Committee's view on this matter. The Government noted that the ABC-Telstra negotiations that formed the basis of the Committee's Inquiry have not led to a contract between those parties.

Senate Select Committee on Information Technologies

In the Public Interest - Monitoring Australia's Media

Tabled: 13 April 2000.

No Government response to date

The report questions the efficiency and effectiveness of self-regulation and co-regulation in the communication and information industries, and, in particular, the adequacy of the complaints regime.

The Committee made five recommendations suggesting that an independent statutory authority—the Media Complaints Commission (MCC)—be established to oversee the various existing bodies and processes that currently regulate television, radio, press news and the Internet. The proposed MCC would:

- provide more effective enforcement of self-regulatory codes;
- protect an individual's right to privacy;
- increase awareness of the complaints process; and

- function as the final adjudicatory body for complaints allowing it to impose sanctions in addition to those that currently exist.

The Government is considering the report in the context of other reports raising similar issues and expects to respond in due course.

House of Representatives Standing Committee on Communications, Transport and the Arts

Regional Radio Racing Services

Tabled: 26 June 2000 Government Response: 26 September 2001

The Government's response to the report outlined a number of measures in relation to issues raised by the Committee. These included:

- on 21 December 2000 the Minister for Communications, Information Technology and the Arts directed the ACA to implement a 'use it or lose it' condition to address problems identified by the hoarding of low power open narrowcasting licences;
- on 22 January 2001 the Minister for Communications, Information Technology and the Arts directed the ACA to renew the transmitter licences for high powered open narrowcasting licensees provided spectrum continued to be made available for narrowcasting, to improve their security of tenure;
- the ABA issued a clarification notice in January 2002 to define open narrowcasting radio services, including racing radio services. The ABA has issued a second draft notice for comment;
- the ABA has issued guidelines to assist existing and prospective providers of open narrowcasting services, and other interested persons, to understand more clearly the requirements for narrowcasters under the *Broadcasting Services Act 1992*. Submissions close on 9 August 2002; and

- the ABC introduced measures to further facilitate contact with its audience through the appointment of a Head of Audience and Consumer Affairs to implement a number of recommendations made following an independent external review of the ABC's communication with its audiences.

House of Representatives Standing
Committee on Communications, Transport
and the Arts

*Covering your Arts –
Art Indemnity in Australia*

Tabled: 24 September 2001

No Government response to date

The Report examines Art Indemnity Australia (AIA), a Commonwealth program through which items loaned for major cultural exhibitions are indemnified against loss or damage.

The Committee endorsed the current operation of the scheme and made recommendations that focussed on:

- the practice of underwriting AIA risk with Comcover insurance;
- strengthening relations between the national organisations that manage AIA indemnified exhibitions and State and Territory cultural institutions; and
- maximising the geographic spread of exhibitions indemnified by AIA.

The Government response to the Report is expected to be tabled shortly.

House of Representatives Standing
Committee on Communications, Transport
and the Arts

Local Voices: Inquiry into Regional Radio

Tabled: 24 September 2001

No Government response to date

Two themes—access and content—dominated the Inquiry and were the focus of the Committee's Report. The report addressed the issues of access and diversity of services and the commercial viability of local radio. It considered the

networking of radio services and its effect on the availability of local programming. The role of radio in emergency situations and the implications of digital radio for regional services were also considered. The report followed on from the Committee's previous inquiry into regional radio racing services.

The Committee concluded radio services have undergone considerable changes in recent years as a result of regulatory, economic and technological developments. This has affected the range, nature and quality of services for listeners and has changed the environment in which service providers operate.

The Committee made twenty recommendations relating to a range of issues, including:

- establishment of a Radio Black Spots Program;
- improved access to commercial radio in remote locations;
- improved access for Indigenous audiences and radio for the print handicapped;
- employment and training scheme for community broadcasting;
- broadcasters to identify originating source of programming;
- ABA to conduct an audit of licence areas to determine degree to which planning process provided for localism and diversity and to issue no further commercial licences until the audit is completed;
- introduction of a commercial viability test in the consideration of whether to issue new commercial licences;
- legislative change to address the role of radio in emergency situations;
- trials of digital services in regional/remote areas and of range of terrestrial and satellite applications.

The Government expects to finalise its response to the Report in the near future.

***Above Board? Methods of Appointment
to the ABC Board***

Tabled: 25 September 2001

No Government response to date

The Inquiry considered the development and implementation of options for methods of appointment to the board of the ABC. Members of the Committee gave four different reports. The report of the Chair, Senator Lyn Allison, proposed a series of reforms to the method of appointment, including the establishment of selection criteria for Board positions, the use of formal applications for positions and the use of an independent selection panel to make recommendations to the Minister. Senator Bob Brown supported most of the Chair's recommendations but believed that the British model for appointments should be adopted.

A minority report from Labor Senators noted that no evidence was provided indicating politicisation of the ABC Board. This report also stated it was not clear whether any changes mooted in the Chair's report would remove the perception of politicisation. It argued for further examination of the issue and that, in the meantime, selection criteria should be developed for incoming Board members.

The report of the Government Senators found the Inquiry did not clearly establish that there is a problem with the current approach to Board appointments, nor that there is a strong argument for differentiating the method of appointing ABC Board Directors from the approach taken for other Commonwealth agencies.

***Report on Broadcasting Services Amendment
(Media Ownership) Bill 2002***

Tabled: 18 June 2002

No Government response to date.

The Bill repeals restrictions on foreign ownership and control of Australian media in the *Broadcasting Services Act 1992* (BSA). It also provides for exemptions to be granted from cross-media ownership restrictions subject to applicants continuously meeting requirements for separate editorial decision-making responsibilities and, in the case of regional broadcasters, minimum levels of local news and information services.

The Committee recommended the Senate support the Bill, provided the following four conditions were satisfied:

- media companies operating under a cross-media exemption certificate be required to disclose relevant cross-media holdings when reporting on issues or matters related to those holdings;
- following receipt of the Australian Broadcasting Authority's report into local news and information in regional Australia, the Government consider extending requirements for the provision of local news and information to all regional broadcasters, not just those operating under a cross-media exemption certificate. The Committee noted such an approach should have regard to both regional communities' access to local news and information services and the financial viability of the requirements for regional broadcasters;
- in regional markets, cross-media exemptions be restricted to ensure that a media company could achieve cross-ownership in only two of the three generic categories of newspapers, radio and television; and
- the Government investigate the feasibility of providing appropriate incentives for regional media to provide local content, such as licence fee rebates.

A dissenting report was also tabled.

Involvement in Parliamentary Committees

House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs

Inquiry into the needs of urban dwelling Aboriginal and Torres Strait Islander peoples

Tabled: 24 September 2001

No Government response to date

The Department of Immigration, Multicultural and Indigenous Affairs is responsible for coordinating the Government response to this report. The Department did not make a formal submission to this Inquiry. The Department provided input to the draft Government response in April 2002.

House of Representatives Standing Committee on Legal and Constitutional Affairs

Cracking down on copycats: enforcement of copyright in Australia

Tabled: 4 December 2000

No Government response to date

The Attorney-General's Department is responsible for coordinating the Government response to this report. The Department provided a written submission but did not appear before the Committee.

Joint Standing Committee on Treaties

Through the Department of Foreign Affairs and Trade, the Department arranged to table, a National Interest Analysis and the texts of the amended *Agreement Relating to the International Telecommunications Satellite Organisation 'INTELSAT'* and the amended *Operating Agreement Relating to the International Telecommunications Satellite Organisation 'INTELSAT'* in the Parliament on 21 August 2001.

On 17 September 2001, Departmental officers appeared before the Joint Standing Committee on Treaties to give evidence on issues associated with Australia's proposed ratification of the amendments to the two agreements.

Joint Standing Committee on Treaties

UN Convention on the Rights of the Child

Tabled: August 1998

No Government response to date

The Attorney-General's Department is responsible for coordinating the Government's response to this report. The Department provided further comments on the draft Government response in May 2002.

Joint Committee on Public Accounts and Audit

The Department appeared before the Joint Committee on Public Accounts and Audit on 31 May 2002 in relation to Audit Report No. 11, 2001–02, Administration of the Federation Fund Program. The Department participated on the discussion and answered specific questions in relation to its management of a range of Federation Fund projects.

The Department also provided written answers to questions from the Committee.

The Committee has not yet reported on the outcomes of its Inquiry.

Senate Foreign Affairs, Defence and Trade Committee

Japan Politics and Society: Report 2 on the Inquiry into Japan

Tabled: 27 September 2001

No Government response to date

The Department of Foreign Affairs and Trade is coordinating the preparation of the draft Government response to this report. The Department provided input to the draft response in June 2002.

Senate Environment, Communications, information Technology and the Arts Reference Committee

Inquiry into Electromagnetic Radiation

Tabled: 22 May 2001

No Government response to date

The Australian Radiation Protection and Nuclear Safety Agency, in the Health and Ageing Portfolio, is coordinating the preparation of the draft Government response to this report. The Department provided input to the draft response.

Management of human resources

During the year the provision of human resource (HR) services was outsourced to The Empower Group. The contract with The Empower Group, which runs until September 2004, covers the delivery of human resource management services including recruitment planning and selection, staff learning and development, performance management and remuneration management.

During the year:

- a new HR and payroll system was implemented in January 2002;
- an online Employee Self Service system was implemented in January 2002 via the intranet;
- a core skills development program was delivered successfully over the first six months, with almost 500 staff completing courses;
- the backlog of case management of difficult HR issues was cleared;
- service level standards, in the form of work value matrices, were developed for the Department to monitor compliance with public sector requirements;
- development of a Leadership and Management Development Program for executive level staff was completed; and
- the performance Management System documentation was reviewed.

A review was undertaken in May 2002 to assess the first six months operation of the contract. The review highlighted a number of areas in which improvements in the delivery of HR services need to be made. Achievement of this will present a significant challenge for the Department over the next 12 months.

Workforce planning

The Department approaches workforce planning with the aim of satisfying its workforce requirements now and into the future.

During this reporting period, the Department gave priority to the development of a core training program for all staff, leadership development for Executive Level staff, development of work level standards and a review of the Performance Management System.

Workforce reporting data was not produced on a regular basis this year due to the introduction of a new HRMIS during the course of the year.

Graduate recruitment remains a key element of the Department's overall recruitment strategy. Twelve graduates commenced with the Department in 2002. Graduates are offered a formal training program in their first year to provide skills development in addition to on-the-job training.

Staffing overview

There has been a small increase of five per cent in the Department's employment base over 2000–01. At 30 June 2002, there were 578 ongoing and non-ongoing employees, compared with 551 at 30 June 2001.

An analysis of the Department's employment shows that:

- the largest concentration of staff is at the APS6–EL2 levels;
- Non-ongoing employees accounted for 13 per cent of the total employees—slightly less than last year's figure of 17 per cent; and
- the turnover rate for 2001–02 was 16 per cent.



Members of the Department's Corporate and Business Division, from L to R, standing, Katharine Mercado and Jiwan Dhillon, seated, Jonella Welsh, Robert Davey, Jennifer Gale and Craddock Morton (Chief General Manager).

Performance management

The Department's Performance Management System is integral to its ability to effectively manage and develop our staff.

The Performance Management System applies equally to all staff. Under the terms of the current Certified Agreement all non-SES staff have had access to a form of financial reward, based on their individual performance.

Employees covered by the Certified Agreement (2000–02), who were assessed as having performed at a very high level during the performance cycle, had access to either accelerated incremental advancement or access to a performance based incentive payment in the form of an annual allowance.

Workshops on Performance Management Training and Giving and Receiving Feedback were conducted throughout the year.

The Department shows its commitment to the ongoing improvement of the Performance Management System by undertaking regular reviews of the system and associated documentation. The Performance Management Guidelines and Performance Agreement forms were reviewed in May 2002 to ensure that they continue to satisfy the Department's needs.

Certified Agreement

The Department's Certified Agreement 2000–02 continued to operate during the reporting period. The principal emphasis of the Agreement was to achieve greater commitment to improved agency and individual performance.

Consultations leading to a replacement Agreement commenced with the election of staff representatives and establishment of the Certified Agreement Working Group in March 2002.

Australian Workplace Agreements (AWAs)

Senior Executive Service (SES)

All SES employees have remuneration arrangements agreed through an Australian Workplace Agreement (AWA).

Salaries are determined by the Secretary. In determining remuneration levels, consideration is given to Departmental and individual performance requirements and outcomes, market forces and the outcomes of the annual Department of Employment and Workplace Relations SES Remuneration Survey. The Agreements generally include performance pay, superannuation, an executive vehicle, leave and development provisions.

Non-SES

At 30 June 2001 there were 46 non-SES employees on AWAs. The majority of these were Executive Level 2 employees.

AWAs are sufficiently flexible to allow the Department to attract, reward and retain key employees. Non-SES AWAs are not usually comprehensive and Certified Agreement conditions of employment generally apply. Non-SES AWAs vary considerably, but could include items such as performance pay, car parking or enhanced professional development opportunities.

Staff development

The emphasis for staff development in 2001–02 has been on the development and implementation of a core training program for all employees. The program incorporates technical courses and skills development, particularly in gap areas identified through the Performance Management system.

Leadership capability

Significant effort was placed on the development of a Leadership and Management Development Program for Executive Level employees. The program is aligned to the Senior Executive Leadership Capability framework and was designed to enhance individual development as well as strengthening management and leadership skills for current and future management roles. Participation by Executive Level 2 employees has commenced. It is anticipated that all Executive Level employees will participate in the program during the next 12–18 months.

Core training

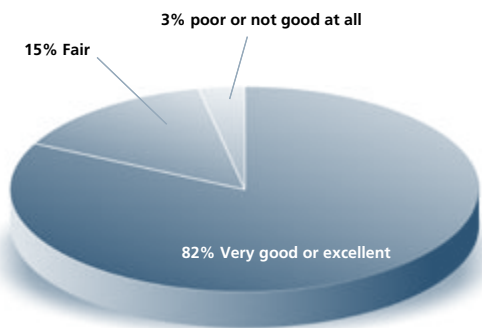
The Department's core training program incorporates technical courses and skills development particularly in gap areas identified through the Performance Management System.

As part of the core training program, 47 individual courses were conducted over the period of January to June 2002. Feedback from course participants was as follows:



The Department's 2001–02 Graduate Administrative Assistants with the Secretary, Helen Williams.

Graph 12: Feedback from Departmental staff about core training programs January to June 2002



A total of 86 per cent of course participants provided formal feedback or ratings for courses. Of the six courses which received a 'Poor' or 'Not Good At All' rating, one course attracted 11 such responses. Based on this feedback, the Department reviewed the content and format of the course. Subsequent feedback on the revised course indicated a significant improvement with ratings of 'Very Good' or 'Excellent' from 14 participants and 'Fair' from the remaining three participants.

Workplace diversity

A review of the Department's Workplace Diversity program was initiated during the year, but will be completed in 2002–03.

The Certified Agreement continued to provide flexible working arrangements, with employees having access to a range of employment types, home-based work, vacation care subsidisation, personal leave and purchased leave.

Managing and developing Questacon staff

As part of the Building an Even Better Questacon framework, Questacon continued to refine its People and Business Performance Management scheme and its human resource development plan this reporting period. The performance management scheme articulates Questacon's key organisational values and skills and informs individual work plans and performance indicators which are reviewed every six months. The human resource development plan, known as Developing Q People, comprises individual career development and corporate training and development plans.

Managing and developing ScreenSound Australia staff

This reporting period was the first year of implementing ScreenSound Australia's Performance Management Scheme with final appraisals due in August 2002. A key component of the Scheme was the development of Personal Development Plans, which provide the basis for individual career development, as well as some aspects of the corporate training and development program.

The corporate training strategy was endorsed by the Human Resource Development and Diversity Committee, which meets every second month and comprises employee and management representatives. In addition to providing training on performance management, the focus of the strategy for 2001–02 was on leadership and supervision for APS 5 and APS 6 employees, project management and change management.

In addition, employees participated in a number of external programs, including the Public Service and Merit Protection Commission's Senior Women in Management program, management and administrative skills programs conducted jointly by the national collecting institutions in Canberra and the audiovisual archiving certificate course conducted by the Charles Sturt University.

Employee Self Serve, an online system for processing and updating leave, was implemented successfully in June.

Negotiations also commenced on a new Certified Agreement, with the current Agreement due to expire in December 2002.

Table 10: ScreenSound Australia classification and salary ranges

Classification	\$
Executive Level 2	69 505 – 81 455
Executive Level 1	60 286 – 65 103
APS Level 6	48 254 – 54 085
APS Level 5	43 878 – 46 224
APS Level 4	40 328 – 42 436
APS Level 3	35 066 – 39 799
APS Level 2	30 788 – 34 140
APS Level 1	27 204 – 29 331
Junior rates	16 322 – 24 756

Performance Pay

There is no provision for performance pay in the Certified Agreement. Pay outcomes are in terms of increment advancement through the Performance Management Scheme.

Client service charter

The Department is committed to providing quality client service, and monitoring and responding to feedback from clients. In June 2002, the Department surveyed a representative sample of the Department's clients to obtain feedback on the Department's service delivery, in accordance with the Government's Client Service Charter principles.

Overall, the survey indicated 95 per cent of the Department's clients rated the service of Departmental staff as satisfactory to excellent. Particular areas of strength were Departmental staff willingness to assist clients and the timeliness of advice to clients. The survey identified two specific areas, however, where the Department could improve its service—consultation with clients about the development and review of policy and responding to client inquiries by email.

The Department's performance against stated Service Charter standards were as follows:

Communication with clients

- Courteousness—88 per cent rated performance as satisfactory to excellent;
- responsiveness—88 per cent rated performance as satisfactory to excellent;
- willingness to assist clients—89 per cent rated performance as satisfactory to excellent;
- fair and professional treatment—88 per cent rated performance as satisfactory to excellent;
- provision of timely oral and written advice that is clear, concise, accurate and complete—89 per cent rated performance as satisfactory to excellent;
- technical/professional competence in providing advice—85 per cent rated performance as satisfactory to excellent; and
- sensitivity to diversity issues—80 per cent rated performance as satisfactory to excellent.

Telephone dealings with clients

- Handling of telephone calls between 9:00–5:00pm—88 per cent rated performance as satisfactory to excellent;
- staff identify themselves by name and/or work area—86 per cent rated performance as satisfactory to excellent;
- resolution of less complex inquiries over the telephone—86 per cent rated performance as satisfactory to excellent; and
- resolution of more complex inquiries within three working days—75 per cent rated performance as satisfactory to excellent.

Email dealings with clients

- Responding to inquiries as soon as possible—69 per cent rated performance as satisfactory to excellent; and
- responding to more complex inquiries within three working days—60 per cent rated performance as satisfactory to excellent.

Administration of programs

- Programs, application procedures and program policy issues were publicised using a range of methods, including online and hardcopy format. Seventy-nine per cent of respondents rated performance as satisfactory to excellent;
- equitable access to DCITA programs and services of which 71 per cent of respondents rated performance as satisfactory to excellent;
- grants and programs were administered fairly, in accordance with relevant published guidelines, criteria, regulations or legislation of which 75 per cent of respondents rated performance as satisfactory to excellent; and
- grants payments were made within four weeks of acceptance of reports, and/or in accordance with relevant schedules or commitments, which was rated by 77 per cent of respondents as satisfactory to excellent.

Development and review of policy and legislation

- Consultation with interested parties as early as practicable, where appropriate—53 per cent rated performance as satisfactory to excellent; and
- consultative processes were designed to include those who would be most affected by changes in policy or legislation—52 per cent rated performance as satisfactory to excellent.

Written or fax inquiries

The Department responded to clients as soon as possible and where the matter was more complex, responses were made within 20 working days. Where this was not possible due to the nature of the inquiry, clients were informed of the time needed to provide final response and provided with a name and telephone number to call for further queries—81 per cent rated performance as satisfactory to excellent.

Purchasing

The Department undertakes its purchasing consistent with the requirements of the Commonwealth Procurement Guidelines issued by the Department of Finance and Administration. The Department procures from small to medium Australian and New Zealand enterprises whenever practicable.

Assets management

Old Parliament House and the National Portrait Gallery

Asset management is integral to the operation of Old Parliament House (OPH) and the National Portrait Gallery (NPG).

Home of the Commonwealth Parliament from 1927 until 1988, OPH is of national historic, social and architectural significance. In recognition of its heritage significance OPH is listed on the Register of the National Estate. The building's net book value is \$34 million, with a replacement cost of \$87 million. OPH houses significant collections of furniture associated with the building and its history and the net book value is \$3.34 million. Most of the collection is housed on-site with those items not currently on display or in use in public areas of the building being kept in standard storage conditions.

The building is conserved in accordance with the OPH Conservation Management Plan 2000. This plan ensures that the heritage values of the building are preserved while the public is also able to access the site. OPH is also being refurbished and maintained in accordance with the long term Master Building Plan, Fire Safety Strategy and Services Strategies.

The NPG, housed within OPH, currently has a permanent collection with a net book value of \$9.5 million. The collection is housed on-site with those items not currently on display housed in specially controlled climate and humidity storage facilities.

Questacon

Asset management continues to remain a focus within Questacon—the National Science and Technology Centre, which manages a net book value of \$38 million. Life cycle maintenance plans are in place for the building, plant and equipment and exhibitions. An ongoing asset replacement program is also in place to ensure the facility is functioning to a standard expected by both staff and visitors to the Centre.

During 2001–02, building facilities and systems upgrades were a priority. This included work on the air-conditioning system, the security system, storage facilities, theatre upgrade, and some staff accommodation. Infrastructure and software enhancements were also made to a number of information technology applications. An ICT strategy was also developed to ensure information technology continues to meet the needs of the business into the future.

As part of its ongoing program to refurbish the Centre's building in Canberra to showcase the best in interactive exhibitions, Questacon developed and opened three new exhibitions during 2001–02. The exhibitions were:

- *Burarra Gathering* an exhibition presenting some of the traditional knowledge and technologies used today by the Burarra people of the central north Arnhem Land region of Australia. The exhibition was a collaboration between Questacon, The Investigator Science and Technology Centre in Adelaide and the Wurdeja, Ji-malawa and Yilan Aboriginal Communities of central north Arnhem Land;
- foyer exhibits including the *Rototron* and *Camwave* were installed on the ramp to enhance the visitor experience in the foyer; and
- *Awesome Earth* which is a new permanent exhibition about spectacular natural phenomena including earthquakes, cyclones, tsunamis, volcanic eruptions and lightning.

ScreenSound Australia

ScreenSound Australia—the National Screen and Sound Archive—is custodian of Australia's national audiovisual collection. This collection has over one million items and as at 30 June 2002 had a net book value of \$177 million.

The collection is housed in specialist climate and humidity controlled storage facilities. It is monitored continuously in accordance with a collection assessment and monitoring program that is based on externally validated statistical methodology. The results of this monitoring are used to determine asset preservation priorities.

ScreenSound Australia is located in a heritage listed art deco building at Acton which is open to the public for research, presentations, film screenings and exhibitions. The land and building net book value is \$29 million and is maintained in accordance with a conservation management plan. This plan ensures that the heritage value of, and public access to, the building are maintained.

Consultants and competitive tendering and contracting

Consultants

The Department's policies on selection and engagement of consultants are based on the Commonwealth Procurement Guidelines, the Department's Chief Executive Instructions, and in various other Commonwealth policies. The Department gives full weight to all Commonwealth legislation, policies and guidelines relating to procurement.

The Department's internal policies are flexible, and are based on a relatively decentralised model. Greater responsibility and accountability is achieved by giving project officers responsibility for developing requirements and managing contracts. Important checking and control mechanisms are in place, however, as a senior officer must approve any consultancy contract, and the Legal and Contracts area provides advisory and administrative support to project officers who are involved in contracting.

The Department's selection procedures are based on contract value, market conditions, and the nature of any given requirement. Typically, contracts of any significant value are offered publicly, being advertised in the press, the Commonwealth Electronic Tender system website and/or the Purchasing and Disposals Gazette. Consultancies of a lower value are routinely arranged through restricted tender processes. Where market conditions or other special circumstances make it appropriate, the Department may enter into consultancies without competitive tendering.

Consultants are engaged for a wide variety of purposes in the Department. They are typically engaged to provide complex professional services which the Department does not have the ability to perform in-house. These services include matters such as technical advice, financial advice and specialised information technology services.

For the 2001–02 financial year, the Department administered a total of 126 consultancy contracts incurring a total expenditure for the year of \$12 515 469.

A list of all consultancy contracts let to the value of \$10 000 or more (inclusive of GST) is included in this Report at Appendix 3.

Competitive Tendering and Contracting

In line with the Government's Competitive Tendering and Contracting initiative, contracted service providers deliver a range of Departmental services. The Department's objectives in outsourcing such services comply with the principles specified in the Commonwealth Procurement Guidelines ensuring value for money outcomes, encouraging innovation and improving accountability and performance in the delivery process.

Currently, the Department has in place contracts with:

The Empower Group to deliver human resource management services including recruitment planning and selection, staff learning and development, performance management and

remuneration management. This contract—*Human Resources Outsourcing Agreement between DCITA and the Empower Group Pty Ltd*—runs until 24 September 2004;

Fujitsu Australia Ltd to redevelop and maintain the Department's website. This contract—*DCITA Website Redevelopment and Facilities Provision*—runs until 29 December 2003;

Telstra Enterprise Services (formerly Advantra Pty Ltd) to deliver information technology and telecommunications services. This contract—*Group 5 Agreement for IT&T Services and Industry Development*—runs until June 2004; and

Recall Total Information Management to deliver records management and archiving services. This contract—*Information Management Services for the Ongoing Sentencing, Retention and Disposal of DCITA Portfolio Records*—runs until 31 December 2003.

The Department did not undertake any competitive tendering processes during the 2001–02 financial year.

Appendices

Department of Communications, Information Technology and the Arts

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Appendix 1

Freedom of information

This statement is provided in accordance with Section 8 of the *Freedom of Information Act 1982* (the FOI Act) and is correct as at 30 June 2002.

Section 8 of the FOI Act requires each agency to publish detailed information about the way it is organised, its powers, the kinds of decisions made, arrangements for public involvement in work of the agency, documents held by the agency and how members of the public can access these documents.

Access to records under the FOI Act

The FOI Act extends the right to obtain access to documents in the possession of Commonwealth Government agencies. Under the FOI Act, the Department of Communications, Information Technology and the Arts (DCITA) makes available information about the organisation, its functions and operations, and rules and practices used in making decisions affecting members of the public.

Any member of the public is entitled to apply for access to documents under the FOI Act. In many cases there may be no need to use the FOI Act—the information being sought may be readily accessible through the Department's website at www.dcita.gov.au or by contacting the Manager of Corporate Communications on 02 6271 1255.

Decisions on granting access to documents under the FOI Act are generally made by the Departmental Secretary and/or the Senior Executive Service officer responsible for the work area to which the request relates. Access is usually provided in the form of copies of documents and, if necessary, the Department can provide a reading area for the inspection of documents made available under the FOI Act.

Members of the public seeking access to documents under the FOI Act should make a request in writing to the Department or the relevant Portfolio agency and enclose the fee payable under the regulations in respect of the request. These requests should include contact details including a telephone number and an address in Australia to which notifications can be posted. The Department's FOI Coordinator, phone 02 6271 1657, can help with this process.

FOI requests for DCITA, Artbank, Old Parliament House and the National Portrait Gallery should be addressed to:

The Secretary
Department of Communications, Information
Technology and the Arts
GPO Box 2154
CANBERRA ACT 2601
Attention: Freedom of Information Coordinator

FOI requests for National Science and Technology Centre (Questacon) should be addressed to:

National Science and Technology Centre
PO Box E28
KINGSTON ACT 2604
Attention: Freedom of Information Coordinator

FOI requests for ScreenSound Australia, the National Film and Sound Archive, should be addressed to:

ScreenSound Australia
GPO Box 2002
CANBERRA ACT 2601
Attention: Freedom of Information Coordinator

The following agencies are part of the Communications, Information Technology and the Arts Portfolio, but are not part of the Department's functional and organisational structure. If you wish to obtain information or documents from these agencies, please contact them directly. These details are available at Appendix 2.

- Australia Business Arts Foundation Limited;
- Australia Council;
- Australia Post;
- Australian Broadcasting Authority;
- Australian Broadcasting Corporation;
- Australian Communications Authority;
- Australian Film Commission;
- Australian Film Finance Corporation Limited;
- Australian Film, Television and Radio School;
- Australian National Maritime Museum;
- Australian Sports Commission;
- Australian Sports Drug Agency;
- Australian Sports Foundation Limited;
- Bundanon Trust;
- Film Australia Limited;
- National Archives of Australia;
- National Gallery of Australia;
- National Library of Australia;
- National Museum of Australia;
- National Office for the Information Economy;
- NetAlert Limited;
- Special Broadcasting Service Corporation; and
- Telstra.

Categories of documents

The Department has extensive documentary holdings. Certain categories of documents are common throughout the Department. These include:

- policy advice and internal administration (financial, staffing, office procedures and similar) documents;
- documents relating to policy and portfolio administration, including reports, briefings, correspondence, minutes, submissions and other documents;
- tender proposals, evaluations and contracts;
- cabinet submissions;
- ministerial briefings;
- records of representations to the Minister and of other applications for advice and assistance;
- reference material used by staff including guidelines and manuals;
- audio and visual recordings—held as part of the Department's cultural development activities; and
- legal advice and electronic records maintained on departmental databases.

Records maintained by the Department include material relating to:

Cultural matters

- performing, literary and visual arts;
- science and technology;
- online cultural services;
- cultural industry development;
- library and information services;
- arts and heritage collection agencies;
- cultural taxation incentives schemes;
- arts education;
- international cultural relations;
- public and educational lending rights;
- book industry assistance plan;
- cultural access programs (Playing Australia, Festivals Australia and Visions of Australia);

- taxation issues relating to the cultural sector;
- return of Indigenous cultural property;
- Cultural Ministers Council;
- national cultural organisations;
- use of new media in the cultural sectors;
- promotion of sponsorship and philanthropy for the arts;
- National Portrait Gallery;
- Old Parliament House;
- the Centenary of Federation in 2001;
- the Acton Peninsula Project;
- Federation Fund Major Projects;
- Federation Community Projects;
- Federation Cultural and Heritage Projects;
- film;
- film agencies;
- sports statistics;
- Recreation and Sport Industry Statistical Group;
- national recreation safety organisations;
- national anti-doping policy;
- national anti-doping programs;
- international anti-doping forums;
- Commonwealth Games;
- Olympic Games;
- public liability insurance;
- sports participation;
- sport and leisure industry;
- Sport and Recreation Ministers Council; and
- Standing Committee on Recreation and Sport.

Telecommunications

- telecommunications policy, legislation and regulation;
- radiocommunications policy, legislation and regulation;
- postal policy, legislation and regulation;
- international communications-bilateral and multilateral arrangements including INTELSAT, INMARSAT, UPU and APPU;
- national relay service;
- communications standards arrangements;
- regional telecommunications infrastructure fund;
- maintaining international linkages and institutional frameworks through ITU, APEC, WTO and other relevant multilateral fora;
- Telstra and Australia Post-corporate accountability;
- Radiofrequency Electromagnetic Energy Program;
- Networking the Nation Program, including Social Bonus Programs;
- Telecommunications Service Inquiry implementation;
- Untimed Local Calls in Extended Zones Agreement—in association with the Australian Communications Authority (ACA) manage implementation of contract awarded to Telstra;
- Mobile Phones on Highways Agreement—manage implementation of contract, awarded to Vodafone; and
- Telecommunications Action Plan for Remote Indigenous Communities.

Information and communications technology (ICT) industry

- ICT industry development policy, including ICT Framework for the Future initiative;
- ICT industry development programs;
- ICT industry development aspects of government procurement; and
- ICT Centre of Excellence.

Broadcasting and intellectual property

- commercial and satellite broadcasting;
- community broadcasting;
- national broadcasting;
- broadcasting technology;
- television and radio, including digital conversion, pay television, subscription and narrowcasting services;
- intellectual property policy;
- online content policy and legislation, including online gambling regulation; and
- TV Fund, including TV Blackspots Program.

Corporate and business

- financial management;
- personnel matters;
- staff manuals and investigation reports;
- legal advice, instructions to solicitors and Counsel concerning matters before courts and tribunals;
- freedom of information requests;
- Ombudsman complaints;
- privacy complaints;
- documents relating to the drafting of contracts and information management; and
- other corporate support services.

Questacon—National Science and Technology Centre

- science and technology;
- education; and
- corporate support.

ScreenSound Australia, the National Film and Sound Archive

- management of the national collection of moving image and recorded sound materials;
- conservation and preservation; and
- corporate support.

Manuals

In accordance with section 9 of the FOI Act, a list has been compiled of unpublished manuals and other documents used by Departmental staff as a guide to procedures and practices to be followed when dealing with the public. The list is correct as at 30 June 2002 and is available on request from the FOI Coordinator or any office of the National Archives of Australia.

Organisation and functions

Information about the organisation and functions of the Department is contained in the Overview and Management and Accountability sections of this Annual Report.

Outside participation and public involvement

The Department is open to the views of outside organisations and provides opportunities for members of the community and industry to contribute to developing aspects of Australia's communications, information technology, arts and sports sectors through its:

- representation on consultative cultural and sport bodies including the Cultural Ministers Council Standing Committee, Cultural Ministers Council Statistics Working Group, Standing Committee on Recreation and Sport, Plan Implementation Committee, Recreation and Sport Industry Statistical Group, Game Plan Implementation Committee, Beijing 2008 Olympic Games Coordination Group;
- information sharing about regional communications issues through the Online Council Regional Communications Working Group and the Telecommunications Action Plan for Remote Indigenous Communities Advisory Group;
- representation on the Law Enforcement Agency Committee providing advice to Government about law enforcement and national security issues relating to telecommunications;
- engagement with key industry stakeholders through bodies such as the Radiocommunications Consultative Council, Internet Assistance Panel Advisory Panel, Service Provider Industry Association and Broadband Advisory Group;
- participation as observers in the Free-to-Air Digital Television Strategy Group and NetAlert Board;
- membership on consultative bodies including the ScreenSound Australia Council, Indigenous Reference Group, Heads of Cultural Organisations Forum, Australasian Sound Recordings Association, Australian Cinematographers Society, Australian Library and Information Association;
- liaison with other Commonwealth departments and agencies with relevant technical competencies in areas including sport, film, taxation, regional development, statistics and exporting, and as advisers on the merits of grant applications;
- contribution to Government responses for formal reviews and inquiries including the Contemporary Visual Arts and Craft Inquiry, the ACCC price controls report, the Productivity Commission report on telecommunications competition, the Radiocommunications Review Report, and the Intellectual Property and Competition Review;
- dialogue with state and territory governments and the Australian sporting community on the development of a World Anti-Doping Code;
- consultation with local communities and councils in planning and staging Big Screen 2001 and 2002;
- regular exchange of views with the Council of Europe on compliance with anti-doping commitments;
- negotiations on a proposed Free Trade Agreement between Australia and Singapore as a member of the Australia delegation;
- participation in the international Working Group of Legal Experts on the Protection of Traditional Knowledge and Expressions of Culture (a UNESCO-sponsored body);
- contribution to meetings of the international Council of Administration (Universal Postal Union—United Nations) developing common mail service rules between and within the 189 member countries;
- briefing and consultation meetings with communication industry groups and representatives on the development of national positions for international policy fora including the International Telecommunication Union (ITU), Asia-Pacific Economic Cooperation (APEC) and Asia-Pacific Telecommunity (APT); and

- representation on international film and sound archive bodies including the Association of Moving Image Archivists, the International Association of Sound and Audiovisual Archives, International Federation of Film Archives, South East Asia-Pacific Audiovisual Archive Association.
- the *Income Tax Assessment Act 1936*—Divisions 10B and 10BA for certification of Australian films for tax concessions; section 30-210 for the approval of valuers for the Cultural Gifts Program; subsection 30-305(2) for the approval of cultural organisations for the Register of Cultural Organisations; and Division 376 for the certification of films for eligibility for the refundable tax offset for film production in Australia;

Decision-making powers of the Department affecting members of the public

Decision-making powers of the Department affecting members of the public are exercised under or in relation to:

- the *Appropriation (Supplementary Measures) Act (No. 1) 1999*;
- the *Archives Act 1983*;
- the *Australia Council Act 1975*;
- the *Australian Broadcasting Corporation Act 1983*;
- the *Australian Communications Authority Act 1997*;
- the *Australian Film Commission Act 1975*;
- the *Australian Film, Television and Radio School Act 1973*;
- the *Australian National Maritime Museum Act 1990*;
- the *Australian Sports Commission Act 1989*;
- the *Australian Sports Drug Agency Act 1990*;
- the *Australian Postal Corporation Act 1989*;
- the *Broadcasting Services Act 1992*;
- the *Copyright Act 1968*;
- the *Datacasting Charge Imposition Act 1998*;
- the *Film Licensed Investment Company Act 1998*;
- the *Financial Management and Accountability Act 1997*;
- the *Interactive Gambling Act 2001*;
- the *Migration Regulations 1994*, Schedule 2—in respect of the entry of foreign actors to Australia;
- the *National Gallery Act 1975*;
- the *National Library Act 1960*;
- the *National Museum of Australia Act 1980*;
- the *National Transmission Network Sale Act 1998*;
- the *NRS Levy Imposition Act 1998*;
- the *Public Lending Right Act 1985*;
- the *Public Service Act 1999*;
- the *Radiocommunications Act 1992*;
- the *Radiocommunications (Receiver Licence Tax) Act 1983*;
- the *Radiocommunications (Spectrum Licence Tax) Act 1997*;
- the *Radiocommunications Taxes Collection Act 1983*;
- the *Radiocommunications (Transitional Provisions and Consequential Amendments) Act 1992*;
- the *Radiocommunications (Transmitter Licence Tax) Act 1983*;
- the *Radio Licence Fees Act 1964*;
- the *Special Broadcasting Service Act 1991*;
- the *Telecommunications Act 1997*;
- the *Telecommunications (Carrier Licence Charges) Act 1997*;

- the *Telecommunications (Consumer Protection and Service Standards) Act 1999*;
- the *Telecommunications (Numbering Charges) Act 1997*;
- the *Telecommunications (Transitional Provisions and Consequential Amendments) Act 1997*;
- the *Telecommunications (Universal Service Levy) Act 1997*;
- the *Television Licence Fees Act 1964*;
- the *Telstra Corporation Act 1991*; and
- the *Trade Practices Act 1974*, Parts XIB and XIC.

Appendix 2

Contact details for the Department and portfolio agencies

The Department of Communications, Information Technology and the Arts

38 Sydney Avenue

Forrest ACT 2603

GPO Box 2154
Canberra ACT 2601

Phone 02 6271 1000

Fax 02 6271 1800

Teletypewriter only 02 6271 1120

Email: dcita.mail@dcita.gov.au

Website www.dcita.gov.au

Secretary: Ms Helen Williams AO

Artbank

50C Rosebery Avenue

Rosebery NSW 2018

Phone 02 9662 8011

Fax 02 9662 2563

Website www.artbank.gov.au

Chair: Professor Ted Snell

Director: Ms Antonia Syme

Old Parliament House and the National Portrait Gallery

King George Terrace

Parkes ACT 2600

GPO Box 2154

Canberra ACT 2601

Phone 02 6270 8222

Fax 02 6270 8111

Website www.oph.gov.au

Chairperson (OPH): Rt Hon. Mr JD Anthony CH

Chief General Manager (OPH): Mr Arthur Blewitt

Chairperson (NPG): Mrs Marilyn Darling

Director (NPG): Mr Andrew Sayers

Questacon—the National Science and Technology Centre

King Edward Terrace

Parkes ACT 2600

PO Box E28

Kingston ACT 2604

Phone 02 6270 2800

Fax 02 6270 2833

Website www.questacon.edu.au

Chair: Mr Robert Webster

Director: Dr Annie Ghisalberti

ScreenSound Australia, the National Film and Sound Archive

McCoy Circuit

Acton ACT 2600

GPO Box 2002

Canberra ACT 2601

Phone 02 6248 2000

Fax 02 6248 2222 or 6248 2165

Website www.screensound.gov.au

Chair: Ms Susan Oliver

Director: Mr Ron Brent

Portfolio agencies

Australia Business Arts Foundation Limited

Level 2, 405 Collins St
Melbourne Victoria 3000
Phone 03 9658 0200
Fax 03 9614 2550
Website www.abaf.org.au
Chair: Mr James Strong
Executive Director:
Ms Winsome McCaughey
(company)

Australia Council

372 Elizabeth Street
Surry Hills NSW 2010
PO Box 788
Strawberry Hills NSW 2012
Phone 1800 226 912
Fax 02 9215 9111
Website www.ozco.gov.au
Chair: Mr David Gonski
CEO: Ms Jennifer Bott
(statutory authority)

Australia Post

GPO Box 1777Q
Melbourne Victoria 3001
Phone 03 9204 7171
Fax 03 9663 1160
Website www.auspost.com.au
Chair: Ms Linda Nicholls
Managing Director: Mr Graeme John
(statutory authority)

Australian Broadcasting Authority

Level 15, Darling Park
201 Sussex Street
Sydney NSW 2000
PO Box Q500
Queen Victoria Building
Sydney NSW 1230
Phone 02 9334 7700
Fax 02 9334 7799
Website www.aba.gov.au
Chair: Professor David Flint AM
General Manager: Mr Giles Tanner
(statutory authority)

Australian Broadcasting Corporation

GPO Box 9994
Sydney NSW 2001
Phone 02 9333 1500
Fax 02 9333 5305
Website www.aba.gov.au
Chair: Mr Donald McDonald AO
Managing Director: Mr Russell Balding
(statutory authority)

Australian Communications Authority

Purple Building, Benjamin Offices
Chan Street
Belconnen ACT 2617
PO Box 78
Belconnen ACT 2616
Phone 02 6219 5555
Fax 02 6219 5200
Website www.aca.gov.au
Chair: Mr Tony Shaw PSM
(statutory authority)

Australian Film Commission

GPO Box 3984
Sydney NSW 2001
Phone 02 9321 6444
Fax 02 9357 3737
Website www.afc.gov.au
Chair: Ms Maureen Barron
CEO: Mr Kim Dalton
(statutory authority)

Australian Film Finance Corporation Limited

Level 12, 130 Elizabeth St
Sydney NSW 2000
GPO Box 3886
Sydney NSW 2001
Phone 02 9268 2555
Fax 02 9264 8551
Website www.ffc.gov.au
Toll Free 1800 251 061
Chair: Mr Geoff Levy
CEO: Ms Catriona Hughes
(company)

Australian Film, Television and Radio School

Cnr Epping and Balaclava Roads
North Ryde NSW 2113
PO Box 126
North Ryde NSW 1670
Phone 02 9805 6611
Fax 02 9887 1030
Website www.afters.edu.au
Chair: Mr Danny Gilbert
Director: Mr Rod Bishop
(statutory authority)

Australian National Maritime Museum

2 Murray Street
Darling Harbour
Sydney NSW 2000
GPO Box 5131
Sydney NSW 1042
Phone 02 9298 3777
Fax 02 92983780
Website www.anmm.gov.au
Chair: Mr Mark Bethwaite
Director: Ms Mary-Louise Williams
(statutory authority)

Australian Sports Commission

Leverrier Crescent
Bruce ACT 2617
PO Box 176
Belconnen ACT 2616
Phone: 0 2 6214 1111
Fax 02 6251 2680
Website www.ausport.gov.au
Chair: Mr Peter Bartels
CEO: Mr Mark Peters
(agency)

Australian Sports Drug Agency

1 Phipps Close
Deakin ACT 2600
PO Box 345
Curtin ACT 2605
Phone 02 6206 0200
Fax 02 6206 0201
Website www.asda.org.au
Chair: Dr Brian Sando
CEO: Mr John Mendoza
(agency)

Australian Sports Foundation Limited

Leverrier Crescent

Bruce ACT 2616

Phone 02 6214 7868

Fax 02 6214 7865

Website www.asf.org.au

Chair: Mr Cory Bernardi

Director: Mr Rod Philpot

(statutory authority)

Bundanon Trust

PO Box 3343

Nowra North NSW 2540

Phone 02 4422 5999

Fax 02 4422 7190

Website www.bundanon.com.au

Chair: Mr Paul Harris

Executive Director: Mr David Chalker

(company)

Film Australia Limited

101 Eton Road

Lindfield NSW 2070

PO Box 46

Lindfield NSW 2070

Phone 02 9413 8777

Fax 02 9416 5672

Chair: Mr Robert Fisher

CEO: Ms Sharon Connolly

(company)

National Archives of Australia

East Block

Queen Victoria Terrace

Parkes ACT 2600

PO Box 7425

Canberra Business Centre

ACT 2610

Phone 02 6212 3600

Fax 02 6212 3699

Website www.naa.gov.au

Chair: Hon James Carlton AO

Acting Director General:

Ms Anne Marie Schwirtlich

(statutory authority)

National Gallery of Australia

Parkes Place

Parkes ACT 2600

GPO Box 1150

Canberra ACT 2601

Phone 02 6240 6411

Fax 02 6240 6529

Website www.nga.gov.au

Chair: Mr Kerry Stokes AO

Director: Dr Brian Kennedy

(statutory authority)

National Library of Australia

Parkes Place

Canberra ACT 2600

Phone 02 6262 1111

Fax 02 6273 1133

Website www.nla.gov.au

Chair: Sir James Gobbo AC

CEO (Director-General): Ms Jan Fullerton

(statutory authority)

National Museum of Australia

Lawson Crescent
Acton Peninsula
Canberra ACT 2600
GPO Box 1901
Canberra ACT 2601
Phone 02 6208 5000
Fax 02 6208 5099
Website www.nma.gov.au
Chair: The Hon Tony Staley
Director: Ms Dawn Casey
(statutory authority)

National Office of the Information Economy

3rd Floor, Centenary House
19 National Circuit
Barton ACT 2600
GPO Box 390
Canberra ACT 2601
Phone 02 6271 1666
Fax 02 6271 1800
Website www.noie.gov.au
CEO: Mr John Rimmer
(prescribed agency)

NetAlert Limited

Level 4 27 Elizabeth Street
Hobart TAS 7000
GPO Box 1774
Hobart TAS 7001
Phone 03 6234 3312
Fax 03 6234 1430
Website www.netalert.net.au
Chair: Ms Karyn Hart
CEO: Mr Alan Tayt
(company)

Special Broadcasting Service

14 Herbert Street
Artarmon NSW 2065
Locked Bag 028
Crows Nest NSW 1585
Phone 02 9430 2828
Toll Free 1800 500 727
Fax 02 9430 3700
Website www.sbs.com.au
Chair: Ms Carla Zampatti
Managing Director: Mr Nigel Milan
(statutory authority)

Telstra

Telecom Centre
242 Exhibition Street
Melbourne Victoria 3000
Phone 1300 368 387
Fax 03 9204 9991
Website www.telstra.com.au
Chair: Mr Bob Mansfield
CEO: Mr Ziggy Switkowski
(company)

Appendix 3

Consultancy services

The Department's policies relating to consultants are outlined in the Management and Accountability section of this Annual Report (see page 114).

For the 2001–02 financial year the Department administered a total of 126 consultancy contracts incurring a total expenditure for the year of \$12 515 469.

How to read the listing of consultancy services

The Department's consultancy list contains details of every consultancy contract let to the value of \$10 000 or more, including the commissioning value for each contract. It is divided into two sections.

Section A lists consultancies let during the 2001–02 financial year and contains all contracts and all the specific information about each contract. Each section is also divided into separate lists for each area or agency of the Department.

Section B provides a list of consultancies commissioned prior to the 2001–02 financial year which carried over.

The second column *Summary description of consultancy, justification for consultancy and selection process* contains codes which describe the justification for the decision to employ consultancy services and the selection process used.

Codes describing the consultancy selection process:

- (1A) Selective tender (a number of firms were invited to quote/ tender).
- (1B) Direct engagement (only one firm was invited to quote/ tender).
- (1C) Public tenders invited (advertised in the Gazette on the Government Advertising website).

Codes describing the justification for the decision to employ consultancy services:

- (a) Departmental staff with the specialised skills or knowledge needed to perform the task were not available to undertake the work within the required time frame.
- (b) There were no staff within the Department with the specialised skills or knowledge needed to perform the task.
- (c) Independent advice was required.

SECTION A

Company name	Summary description of consultancy, justification for consultancy and selection process	Contract price (\$)
Acton Peninsula Project Task Force		
Phillips Fox	Provide legal services to the Acton Peninsula Alliance. (1B) (c)	33 000
XACT Project Consultants Pty Ltd	Provide technical advice to Acton Peninsula. (1B) (b)	51 000
Arts		
Access Economics Pty Ltd	Provide advice on taxation concessions in relation to foreign film production in Australia. (1C) (a)	21 197
Curriculum Corporation	Conduct a survey of school libraries to allow calculation of educational lending rights (ELR) payments. (1B) (b)	122 606
Cutler & Company Pty Ltd	Examine and advance the understanding of the production of digital content. (1A) (b)	66 000
Deakin University	Assess key needs of heritage collections for the Department. (1B) (c)	80 985
ETC Electronic Trading Concepts Pty Ltd	Evaluate Australian Museums and Galleries On-line (AMOL). (1A) (b)	48 450
Museums and Galleries Foundation of New South Wales Ltd	Conduct a train the trainer program for assessing the significance of cultural heritage objects and collections. (1B) (b)	46 240
Communications		
AAS Consulting Pty Ltd	Provide technical advice on applications for National Communications Fund (NCF) grants. (1C) (c)	60 100
Anderson Corporate Finance Limited	Provide financial advice in respect of the proposed change in ownership of NTL (NTLAH). (1B) (c)	26 865
Australian Government Solicitor	Provide probity advice in relation to the Telecommunications Service Inquiry for mobile phone coverage. (1B) (c)	36 300
Australian Government Solicitor	Provide probity advice in relation to the Telecommunications Service Inquiry for mobile phone coverage. (1B) (c)	24 200
Convergent Consulting Pty Ltd	Provide an evaluation of SBS's regional digital transmission procurement processes. (1B) (c)	33 229
Convergent Consulting Pty Ltd	Provide an independent analysis of the cost of providing community television services (CTV) via digital transmission. (1B) (c)	42 178
Gibson Quai Pty Ltd	Provide technical advice in relation to the mobile phone fund. (1A) (c)	12 428
Gibson Quai Pty Ltd	Provide technical advice in relation to the Telecommunications Service Inquiry. (1A) (c)	12 500
KPMG Australia	Provide probity advice for the NCF program. (1A) (c)	25 000

SECTION A

Company name	Summary description of consultancy, justification for consultancy and selection process	Contract price (\$)
Malcolm Long Associates Pty Ltd	Verify unavoidable costs incurred by Imparja Television Pty Ltd. (1B) (c)	14 850
PriceWaterhouse-Coopers	Provide financial advice for the Networking the Nation Applications. (1A) (c)	41 329
Unisearch Limited	Provide technical advice relating to interactive television services. (1C) (b)	93 900
Info Access Branch		
Interaction Consulting Group Pty Ltd	Provide government and branch administration to the Info Access Branch of the Department. (1A) (b)	21 450
Corporate and coordination		
Access Economics Pty Ltd	Provide specialist advice in relation to the Department corporate services. (1A) (c)	21 197
Bob Moore and Associates	Provide advice in relation to human resources used by the Department. (1B) (c)	41 063
Edward Rushton Australia Pty Ltd	Undertake a valuation of OPH building and heritage assets. (1B) (c)	21 500
IT People Pty Ltd	Provide specialist IT advisory services to the Department. (1B) (b)	10 000
Peter Kennedy	Provide services as an external member of the Department's audit risk and evaluation committee. (1B) (b)	12 000
Rolsecure Australia Pty Ltd	Provide specialist SAP expertise to the Department. (1B) (b)	55 000
Old Parliament House		
Andrew Rankine Design Associates Pty Ltd	Provide exhibition design services for Senate (Southwest) Wing at Old Parliament House. (1A) (b)	40 680
Blake Dawson Waldron	Prepare contract documentation for catering and function management services at Old Parliament House. (1A) (a)	17 999
Eric Martin & Associates	Undertake a building access study for Old Parliament House. (1C) (b)	19 600
Green Advertising	Provision of web design services for Old Parliament House. (1C) (b)	12 870
Gregory C Mitchell	Provide assistance with the capital works briefs. (1C) (b)	28 300
Strategic Facilities Services Pty Ltd	Provide lifecycle cost planning at Old Parliament House. (1C) (b)	54 230
Successcycle Pty Limited	Provide advice on technical aspects of the Old Parliament House Catering tenders. (1B) (b)	20 000

SECTION A

Company name	Summary description of consultancy, justification for consultancy and selection process	Contract price (\$)
XACT Project Consultants Pty Ltd	Provide assistance with the selection of catering services at Old Parliament House. (1B) (b)	54 000
Questacon		
Fundraising Management	Undertake project management in respect of fundraising activities conducted on behalf of the National Science and Technology Centre. (1A)(c)	29 923
Fundraising Management	Undertake project management in respect of fundraising activities conducted on behalf of the National Science and Technology Centre. (1A)(c)	29 713
Fundraising Management	Undertake project management in respect of fundraising activities conducted on behalf of the National Science and Technology Centre. (1A)(c)	30 442
Fundraising Management	Undertake project management in respect of fundraising activities conducted on behalf of the National Science and Technology Centre. (1A)(c)	16 040
Hymans	Conduct a valuation of the National Science and Technology Centre assets including exhibition stock. (1A)(c)	16 720
Scitech Discovery	Provide translation service for the National Science and Technology Centre's forensic science exhibition 'Whodunit' in respect of its French tour. (1B) (a)	18 182
TOTAL		141 020
ScreenSound Australia		
David Waghorn	Provide research in relation to the International Vinyl Disk Collection. (b)	3 406
Joint Strategies Pty Ltd	Review Personnel Management Procedures, Guidelines and Forms. (1B) (a)	12 606
GPT Designs Pty Ltd	Provide audio visual and technical facilities Consultancy. (1A) (b)	12 903
Dr Michelle Potter	Provide assistance in relation to the production of a video on Australia Ballet. (a)	3 250
Christine Withers	Undertake copying services of 2 Videos for ScreenSound. (a)	1 429
Brendan Horgan	Under the Oral History Project on behalf of ScreenSound. (1B) (a)	10 000
Leon Meyer Architects	Provide architectural services for new Melbourne Offices. (b)	9 790
Unow Lai and Assoc	Provide engineering services for new Melbourne Offices. (1A) (b)	13 200

SECTION A

Company name	Summary description of consultancy, justification for consultancy and selection process	Contract price (\$)
Norman Disney & Young	Undertake an energy audit. (b)	5 192
Jean Alderman	Undertake reorganisation of print material for ScreenSound. (a)	3 063
Megan Buckley	Big Screen 2002.(1A) (a)	28 442
Homer Computer Services	Provide support for supply chain software selection. (c)	2 008
Richard Sowarda	Provide co-ordination services for Big Screen 2002. (1B) (a)	27 750
Bruce Leonard	Theatre of the Mind. (1B) (a)	16 500
David WATSON	Surf Film Collection. (a)	5 500
Graham O'Neill Consulting P/L	HVAC System Modification at Acton—Consultancy. (1B) (b)	27 500
Danielle Poulos Publicity	Promotion of <i>Bayside Reflection Pt 2</i> . (b)	1 380
Deb Withers Publicity	Publicity for <i>Australia on Mondays 2</i> . (b)	1 250
Pinnacle Property Group	Property consultancy for Melbourne office relocation. (1A) (b)	38 129
TOTAL		223 298

SECTION B

Company name	Summary description of consultancy, justification for consultancy and selection process	Contract price (\$)
Acton Peninsula Project Task Force		
Australian Pacific Project Corporation Pty Ltd	Provide specialist services as the financial consultant-auditor for the Acton Peninsula Project. (1C) (a)	171 040
Bovis McLachlan Pty Ltd	Provide independent technical management advice for the Acton Peninsula Project. (1C) (b)	598 000
Clayton Utz	Provide legal advice in relation to facility management issues in relation for the Acton Peninsula Project. (1A) (c)	45 000
DCWC Pty Ltd	Provide overview and development of exhibition estimates together with ongoing cost advice for the Acton Peninsula Project. (1C) (b)	125 000
JMJ Associates Inc.	Provide specialist alliance support for the Acton Peninsula Project. (1C) (a)	570 000

SECTION B

Company name	Summary description of consultancy, justification for consultancy and selection process	Contract price (\$)
KPMG Chartered Accountants Pty Ltd	Provide probity advice for the Acton Peninsula Project. (1C) (c)	75 000
Mallesons Stephen Jaques	Provide specialist legal advice for alliancing for the Acton Peninsula Project. (1A) (a)	800 000
National Environment Consulting Services Pty Ltd	Provide specialist advice in relation to environmental quality for the Acton Peninsula Project. (1A) (b)	10 200
Arts		
Central Australian Aboriginal Media Association	Develop a major celebration in Central Australia to be known as <i>Yeperenye Dreaming</i> . (1A) (b)	2 284 000
Australian Business Arts Foundation	Conduct the Business Attitudes Cultural Sponsorship Research Project. (1A) (a)	55 000
Curriculum Corporation	Survey of school libraries to provide information for use by the Education Lending Rights scheme in making payments. (1B) (b)	183 908
Dench McLean Pty Ltd	Explore and assess options for the future operation of the Australian Museums On-Line (AMOL) Project. (1A) (b)	27 400
F1 Solutions	Update the Federation Community Projects database, create a revised version of the database to assist with management of other Federation Fund Projects, and create a web-based access point to events information from the database. (1A) (b)	11 400
Museum of Applied Arts and Science	Create an Australian Museums On-Line Website. (1B) (b)	460 000
Powerhouse Museum	Prepare Resource Directory Museum Phases 1 & 2. (1B) (a)	11 900
TMP Worldwide eResourcing	Provide Recruitment Services.(1C) (b)	97 000
United Focus Pty Ltd	Provide a national training program to assist cultural organisations in developing e-business strategies. (1A) (b)	188 602
World Competitive Practices Pty Ltd	Develop, facilitate and write an outcomes report on the Heritage Collections Council Futures Forum. (1B) (b)	15 205
Centenary of Federation		
Mainpack Pty Ltd trading as Trade Mark Investigations	Investigate unauthorised use of Centenary of Federation logo, designs and images. (1C) (b)	78 545
Communications		
ACBS Pty Ltd	Assess spectrum availability for analogue television re-transmission facilities as part of the Television Black Spots Program.	114 400

SECTION B

Company name	Summary description of consultancy, justification for consultancy and selection process	Contract price (\$)
Acumen Alliance Pty Ltd	Provision of financial services for the Untimed Local Calls, Untimed Internet Access and Other Carrier Services to Extended Zones Tender. (1A) (c)	80 000
Australian Government Solicitor	Provide advice on the Mobiles Phones on Highways tender process. (1B) (c)	100 000
Australian Government Solicitor	Provide advice on the Untimed Local Calls, Internet Access and other Carrier Services to Extended Zones tender process. (1B) (c)	97 085
Clemenger BBDO	Provision of advertising in relation to a community information campaign for the Telecommunications Service Inquiry. (1C) (b)	880 000
Cox Inall Communications Pty Ltd	Provide consultancy services in relation to the Telecommunications Service Inquiry. (1C) (b)	126 943
Distributed Systems Technology Centre Pty Ltd	Provide a technical analysis of selected grant applications under the Networking the Nation program. (1C) (a)	85 000
Freehill Hollingdale and Page	Provide legal services for the Untimed Local Calls, Untimed Internet Access and Other Carrier Services to Extended Zones Tender. (1A) (a)	384 731
Gibson Quai Pty Ltd	Provide technical services for the Untimed Local Calls, Untimed Internet Access and Other Carrier Services to Extended Zones Tender. (1A) (a)	211 859
Keith Graham Malcolm	Provide broadcast engineering technical assistance. (1A) (b)	14 000
Purdon Associates Pty Ltd, Performance Improvements and Campbell Planning & Design Consortium	Assist the Secretariat of the Regional Telecommunications Infrastructure Fund with the development and evaluation of the Networking the Nation program. (1C) (b)	750 000
Quantum Market Research	Marketing research consultant for Telecommunications Community Information campaign. (1A) (a)	350 000
Research International	Market research and analysis into telecommunication procurement arrangements.(b)	100 000
Unisearch Limited	Provision of technical advice in relation to the development of interactive television services. (1A) (b)	66 000
Wizard Information Services Pty Ltd	Plan, design and implement a solution to the Networking the Nation Program's electronic data networking requirements, to facilitate the management and evaluation of grants. (1C) (b)	197 750

SECTION B

Company name	Summary description of consultancy, justification for consultancy and selection process	Contract price (\$)
Wizard Information Services Pty Ltd	Provide continuing maintenance and development of the Networking the Nation Program's electronic data networking requirements, to facilitate the management and evaluation of grants. (1A) (a)	150 000
Corporate and Coordination		
CBDKM Pty Ltd	Provide a strategic review of the information management practices of the Department. (1B) (b)	37 400
Clarke Corporate Consulting Pty Ltd	Provide expert financial management advisory services to the Department (1B) (b)	122 300
Clayton Utz	Provide a draft licence agreement for commercialisation of intellectual property rights. (1A) (a)	30 000
CSC Technology Services Pty Ltd (formerly BHP Information Technology Pty Ltd)	Provide consultancy support services for the Department's financial management information system, SAP R/3, as well as ad hoc support and problem resolution. (1A) (b)	230 000
KPMG	Provide internal audit services for the Department. (1C) (c)	100 000
Morgan Taylor International Pty Ltd	Provide advice to the Department in relation to market testing the Department's corporate services and other management activities. (a) (1A)	40 000
Solution 6 Pty Ltd	Assist with and provide support for the TRIM system. (1B) (b)	Schedule of rates
Stemel Consulting Pty Ltd	Provide specialist services in relation to the Department's SAP system. (1B) (b)	160 538
Stemel Consulting Pty Ltd	Provide of expert staff for SAP Consulting Services. (1B) (b)	22 239
Walter and Turnbull Chartered Accountants	Provide specialised financial advice including advice in relation to financial statements, internal and external reporting and interpretation of accounting standards matters. (1C) (c)	240 000
Wizard Information Services Pty Ltd	Modify Networking the Nation Online to develop a grant management system 'Take it for Granted' for the remainder of the Department's grants programs. (1B) (b)	300 000
Old Parliament House		
Andrew Rankine Design Associates Pty Ltd	Provide exhibition design services for <i>The Centenary of the Australian Public Service!</i> at Old Parliament House. (1A) (a)	31 460
Art Direction Graphic Design	Provide exhibition design services for Old Parliament House (1A) (a)	40 680
Connell Wagner Pty Ltd	Conduct an external building fabric study of Old Parliament House. (1C) (a)	93 187

SECTION B

Company name	Summary description of consultancy, justification for consultancy and selection process	Contract Price (\$)
Conservation Works Pty Ltd	Provide conservation training program and deliver conservation awareness training seminar to Old Parliament House. (1B) (a)	28 035
Gregory C Mitchell	Provide project administration services for Capital Works Projects. (1B) (a)	28 363
Heritage Management Consultants Pty Ltd	Consultancy for the heritage study of North Wing of Old Parliament House. (1C) (a)	28 978
Heritage Management Consultants Pty Ltd	Consultancy for the heritage study of South Wing of Old Parliament House (Dining Rooms, Kitchen and Service areas). (1B) (a)	12 500
Heritage Management Consultants Pty Ltd	Consultancy for the heritage study of Representatives Wing of Old Parliament House. (1A) (a)	25 000
John Michael Mitchener	Consultancy to provide a study on entry fees and other revenue options for Old Parliament House and the National Portrait Gallery.(1A) (b)	10 500
Michael McKernan & Associates	Curatorial Services— <i>The Centenary of the Australian Public Service</i> at Old Parliament House. (1C) (a)	67 776

Appendix 4

Occupational health and safety

In March 2002, the Department introduced a new occupational health and safety (OH&S) policy and agreement developed by the OH&S Committee. The Committee is a joint management-union body established under the *Occupational Health and Safety (Commonwealth Employment) Act 1991*. The Committee, which met four times during this reporting period, placed considerable emphasis on improving the processes of identification and resolution of workplace safety issues for the Department.

The Department provided elected workplace health and safety representatives with recognised training and three OH&S training sessions were undertaken to increase general awareness of its health, safety and welfare obligations to employees and contractors.

There were no incidents which required giving notice under Section 68 of the *Occupational Health and Safety (Commonwealth Employment) Act 1991* this reporting period, nor were there any investigations conducted.

The Department's outsourced provider, SRC Solutions, actively manages return-to-work programs and rehabilitation and workplace assessments.

As part of the Department's ongoing commitment to provide support mechanisms for employees and their families, the Department facilitated access to a professional confidential counselling service through an Employee Assistance Program.

ScreenSound Australia

OH&S training was provided for ScreenSound's Health and Safety Committee members, OH&S representatives and supervisors. A total of 27 employees obtained a First Aid Certificate or Advanced Resuscitation certificate. Manual handling and OH&S awareness sessions were available to all new employees as part of their induction. Sixty-three workstation assessments were conducted at ScreenSound during the year.

Alan Pomeroy & Associates undertook a review of the implementation of ScreenSound Australia's 1997 OH&S Risk Management Plan. Their report, provided in July 2001, found there had been a marked improvement in the OH&S performance over the four-year period. The provision of the new building at Acton and its purpose-built facilities had had a marked positive impact on the management of risks in the working environment and low incident rates for OH&S related issues.

There were no accidents or incidents reported to Comcare under sections 68 and 69 of the *Occupational Health and Safety (Commonwealth Employment) Act 1991*, and no provisional improvement notices were received.

A successful Health Week was conducted in December 2001 for all employees as part of the Employee Health Program, a certified agreement commitment. Subsidised health assessments, including assessments for employees working with chemicals, were available to staff throughout the year.

Questacon

Questacon is committed to providing a safe and healthy environment for employees, contractors and visitors. It is committed to the continuation and improvement of its good record for OH&S and for the care it exercises in relation to visitor safety and well being.

Questacon's OH&S Committee includes management representatives, representatives of designated work groups and union representatives. The Committee meets every six weeks to review progress and address new issues. Several new OH&S representatives were appointed during the year and attended training to ensure that they understand their responsibilities under the legislation.

The Centre held a Health Week in October 2001 focusing on physical health. Guest speakers presented information on a range of topics, and a total of 95 staff members attended activities in the week. On assessment, the program was found to be a success.

During the year, Questacon reported one incident under section 68 of the *Occupational Health and Safety (Commonwealth Employment) Act 1991*. There were no reports made under section 69 and no provisional improvement notices issued. Staff reported 43 minor accidents, with five resulting in compensation claims. one-hundred and thirty one accidents were reported during the year involving members of the public, classified as minor accidents and none were reported to Comcover. Questacon has strict reporting requirements in relation to accidents, resulting in quick investigations and resolutions.

Appendix 5

Advertising and market research

In accordance with Section 311A of the *Commonwealth Electoral Act 1918*, following is a list of organisations contracted by the Department to provide advertising and market research services. The list includes payments of \$1500 or more.

The total payment by the Department to advertising and market research organisations this financial year was \$8 437 651 and comprised:

Advertising agencies.....	\$3 313 212
Market research.....	\$512 266
Direct mail.....	\$263 675
Media advertising.....	\$4 348 498

Advertising agencies

Outcome 1: Arts and sport

Name of organisation	Summary description of the nature and purpose of the consultancy	Expenditure \$1500 or more (rounded up to the nearest dollar)
----------------------	------------------------------------------------------------------	---------------------------------------------------------------

OUTPUT 1.2 Centenary of Federation

Gavin Jones Communications	Centenary of Federation Indigenous communications strategy.	69 759
Grey Advertising Canberra Pty Ltd	Provision of communications services for the National Council for the Centenary of Federation including development and implementation of strategy, campaign advertising and related services from June 2001 to February 2002.	1 761 071
SUB-TOTAL		1 830 830

continued over

Advertising agencies

Outcome 2: Communications and information technology

Name of organisation	Summary description of the nature and purpose of the consultancy	Expenditure \$1500 or more (rounded up to the nearest dollar)
Clemenger BBDO Sydney	Development of creative advertising strategy and associated communication material for Commonwealth information campaign in response to the Telecommunications Service Inquiry (TSI).	1 338 740
Cox Inall Communications	Development of public relations strategy for Commonwealth information campaign in response to the TSI. Including public relations strategy development, issues management and placement of editorial material.	130 426
Gavin Jones Communications	Development of public relations strategy for Indigenous communities in response to the TSI. Including strategy development, issues management and placement of editorial material.	13 216
SUB-TOTAL		1 482 382
ADVERTISING AGENCIES TOTAL		3 313 212

Market research organisations

Outcome 1: Arts and sport

OUTPUT 1.2 Centenary of Federation

E & S Research Pty Ltd	Final evaluation research report presented to the National Council Centenary of Federation.	49 700
Elliott and Shanahan	Concept testing for radio, magazine and newspaper advertisements on the Federation Fund took place in May and June 2001.	49 000

OUTPUT 1.3 Old Parliament House and the National Portrait Gallery

Environmetrics	Analysis of survey data for OPH visitor study 1999–2000.	2 500
Market Attitude Research Services	Focus groups and exhibition research	6 000
SUB-TOTAL		107 200

Outcome 2: Communications and information technology

Quantam Market Research	Market research for Commonwealth information campaign in response to the TSI—provision of quantitative and qualitative market research including creative concept testing, benchmark market research and tracking evaluation research.	326 075
SUB-TOTAL		326 075

continued over

Market research organisations

Outcome 3: Questacon—National Science and Technology Centre

Name of organisation	Summary description of the nature and purpose of the consultancy	Expenditure \$1500 or more (rounded up to the nearest dollar)
University of Canberra Centre for Tourism Research and Cooperative Research Centre for Sustainable Tourism	Market research on Questacon branding, perception, visitor experience and habits of target audiences—May to June 2002.	38 092
SUB-TOTAL		38 092

Outcome 4: ScreenSound, the National Film and Sound Archive

ACNielsen	Collation and analysis of audience reach statistics.	2 420
Environmetrics	Evaluation of visitor satisfaction for <i>Sights + Sounds of a Nation</i> exhibition.	7 000
	Evaluation of purchaser's satisfaction with ScreenSound Australia's products.	9 300
OzTam	Collation and analysis of audience reach statistics.	5 225
Piazza Consulting	Focus group research on Indigenous culture travelling exhibition.	15 180
Winangali Consulting	Focus group facilitation for research on Indigenous culture travelling exhibition	1 774
SUB-TOTAL		40 899
MARKET RESEARCH ORGANISATIONS TOTAL		512 266

continued over

Direct mail

Outcome 1: Arts and sport

Name of organisation	Summary description of the nature and purpose of the consultancy	Expenditure \$1500 or more (rounded up to the nearest dollar)
----------------------	------------------------------------------------------------------	---------------------------------------------------------------

OUTPUT 1.2 Centenary of Federation

National Mailing and Marketing Pty Ltd	Preparation and distribution of Centenary of Federation medallions to primary schools and distribution of <i>Yeperenye Festival</i> materials.	202 567
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OUTPUT 1.3 Old Parliament House and the National Portrait Gallery

Canberra Mailing	National Schools Banner Competition mailout to 11 000 schools in February 2002.	4 730
SUB-TOTAL		207 297

Outcome 2: Communications and information technology

DAS Distribution	Collection, storage and distribution of the <i>Connecting the Nation: A Special Report on Telecommunications in Regional, Remote and Rural Australia</i> as part of the Commonwealth information campaign in response to the TSI.	56 378
SUB-TOTAL		56 378
DIRECT MAIL ORGANISATIONS TOTAL		263 675

Media advertising organisations

Outcome 1: Arts and sport

Architectural Review Australia	Print, full page colour advertisement, <i>AR78 Summer Edition</i> , January 2002 for the general promotion of Artbank.	2 272
Architecture Media	Print, full page colour advertisement in <i>Architecture Australia</i> , for January and May 2002 for the general promotion of Artbank.	9 120
Australian Institute of Banking and Finance	Brochure insert mailout part of annual campaign. Distributed with Vol 115, No 4, <i>Journal of Banking and Financial Services</i> , August 2001 in Victoria only. General promotion of Artbank.	1 782
AVANT Card	The national distribution of 60 000 Culture and Recreation Portal promotional postcards during December 2001 to February 2002.	12 540

continued over

Media advertising organisations

Name of organisation	Summary description of the nature and purpose of the consultancy	Expenditure \$1500 or more (rounded up to the nearest dollar)
Hardie Grant Magazine	Print, full page colour advertisement, <i>Mercedes Magazine</i> , March 2002. General promotion of Artbank.	6 000
Mitchell Media Partners	Federation Fund information campaign including advertising in newspaper supplements—e.g. <i>The Good Weekend</i> , and selected Indigenous newspapers—and magazine advertisements—e.g. <i>The Bulletin</i> and <i>The Women's Weekly</i> . This campaign ran in the third quarter of 2001.	341 827
Niche Media	Print, full page colour advertisements appearing in <i>Inside 21</i> interior design magazine, in November 2001 for the general promotion of Artbank.	4 545
Pacific Access Pty Ltd	Annual <i>Yellow Pages</i> advertising placement, block advertisements in every state for Artbank.	13 959
State of the Arts	Two full page print advertisements placed in the <i>State of the Arts Magazine</i> January to April 2002 edition, for the Culture and Recreation Portal and OzeCulture Conference.	7 920
Terraplanet	Full page colour print advertisement in <i>Monument Magazine</i> , No 45, December 2001 for the general promotion of Artbank.	2 500
Victorian Law Institute	Brochure insert mailout. Annual direct mail campaign, June 2002. General promotion of Artbank in Victoria only.	1 800
SUB-TOTAL		404 265

OUTPUT 1.2 Centenary of Federation

Gavin Jones Communications	Indigenous communications strategy.	69 759
King+Associates Pty Ltd	Promotion of <i>Peoplescape</i> project through public displays and performances.	26 536
Mitchell Media Partners Pty Ltd	Newspaper and television advertising for Centenary of Federation during the financial year 2001–02.	1 640 482
SUB-TOTAL		1 736 777

OUTPUT 1.3 Old Parliament House and National Portrait Gallery

AAA Tourism	Print advertisement to promote OPH and NPG appearing in NRMA publication— <i>AAA Tourism Guide</i> —2002 edition	2 255
Art Monthly	Advertisement in <i>Art Monthly Magazine</i>	1 996
Canberra Tourism and Event Corporation	Total of two print advertisement placements in the annual <i>Celebrate Magazine 2001–01</i> to promote OPH and NPG.	5 162
Hardie Grant	Five print advertisements in <i>Look Magazine</i> promoting different NPG exhibitions. Advertisements appeared in issues: July 2001, August 2001, October 2001, December 2001 and March 2002.	11 385

continued over

Media advertising organisations

Name of organisation	Summary description of the nature and purpose of the consultancy	Expenditure \$1500 or more (rounded up to the nearest dollar)
Starcom Worldwide	Newspaper advertising for OPH and NPG exhibitions and programs throughout 2001–02—totaling 74 advertisements.	136 014
State of the Arts	Print advertisement and editorial promoting 75 th birthday activities at the OPH in December 2001.	2 266
TW Media	75 th birthday advertising in one issue of <i>This Week in Canberra</i> in December 2001.	2 970
WIN Television	Various advertisements promoting OPH exhibitions and special events (<i>Dismissed! Bringing the House Down</i> and the 75 th birthday) in the ACT and region. Advertisements appeared from: October–November 2001, January–February 2002, and May 2002. Advertisement placements totalled approximately 70 (plus 70 promotional spots).	30 440
SUB-TOTAL		192 488
OUTCOME 1: SUB-TOTAL		2 333 530

Outcome 2: Communications and information technology

Mitchell Media Partners	Advertising bookings and placements for the Commonwealth information campaign in response to the TSI. Including a total of 96 television advertisements, 12 radio advertisements, 1236 print advertisements and placement of an insert in 373 rural and regional newspapers. Advertising was scheduled from 9 September to 5 October 2001.	1 604 970
Pacific Access Pty Ltd	Advertisements for the Government Info Shops in the printed and online <i>Yellow Pages</i> telephone directories nationally.	69 519
Starcom Worldwide (Aust) Pty Ltd	Newspaper advertisements for Government Info Shops and advertising of Commonwealth programs including Consumer Representation Grants, National Communications Fund and Test-IT.	50 076
Telstra Pty Ltd	Advertisements for the Government Info Shops in the printed and online <i>White Pages</i> telephone directories nationally.	16 761
OUTCOME 2: SUB-TOTAL		1 741 326

continued over

Media advertising organisations

Outcome 3: Questacon—National Science and Technology Centre

Name of organisation	Summary description of the nature and purpose of the consultancy	Expenditure \$1500 or more (rounded up to the nearest dollar)
Accommodation Compendiums	Advertisement in annual publication.	1 990
Capital TV	Questacon general branding promotion—237 x monthly advertisements over 12 month period July 2001–June 2002.	14 000
Celebrate	Two full page advertisements in annual publication 2001–02 for Questacon generic and '3in1 ticket'.	6 903
FM104.7	Weekly radio advertisements totalling 30 each week over 12 month period July 2001–June 2002.	7 748
Jetsetter	¼ page advertisement in Aug–Sept 2001.	2 000
MIX106.3	Promotion of Questacon venue hire—50 x placements over two week period in October 2001; promotion of Little Flower Bulb puppet show at Floriade 50 placements over four week period in September–October 2001; and promotion of Awesome Earth exhibition and Spectacular Science Shows—21 placements over a three week period in June 2002.	22 248
<i>This Week in Canberra</i>	Monthly ¼ page advertisement 2001–02 and one full page in January 2002.	5 200
Travel Time	Quarter page advertisement in August and December 2001, and April 2002.	3 048
WIN Television	Questacon weekly television advertisements for general branding—total of 432 placements over 12 month period July 2001–June 2002 and weekly <i>Postcards</i> —total of 70 placements over 12 month period July 2001–June 2002.	77 109
Wine and Food Trails of NSW	Three unit advertisement in annual publication 2002.	2 386
OUTCOME 3: SUB-TOTAL		142 632

continued over

Media advertising organisations

Outcome 4: ScreenSound, the National Film and Sound Archive

Name of organisation	Summary description of the nature and purpose of the consultancy	Expenditure \$1500 or more (rounded up to the nearest dollar)
ABC Catalogues	Print advertising of ScreenSound products in ABC shop catalogues. Three placements over the year with approximately three months exposure.	3 850
Around Canberra	Profile advertising of ScreenSound in ACT tourist magazine. One advertisement per month for 12 months.	6 094
Canberra City News	Print advertising of screenings in ACT newspaper. One advertisement per week.	6 732
Canberra FM Radio	Radio advertising of screenings, exhibitions and events on Canberra radio—a total of 300 advertisements over the year	16 375
City Search	Internet advertising of ScreenSound events. Contract for one year.	2 053
Dymocks Sydney	Print advertising of products in Dymocks catalogue. One placement in March 2002.	2 750
Federal Capital Press	Weekly advertising of ScreenSound screenings and events throughout the financial year. One advertisement per week.	56 320
National Capital Attractions	One print advertisement for ScreenSound in ACT tourism's annual publication.	2 365
Pol Corp	One profile advertisement in Ansett flight magazine.	3 575
Prime TV	Television advertising of ScreenSound events and exhibitions. Six advertisements July–November 2001.	4 268
TMP Worldwide	Placement of national advertising for sale of international vinyl records. Four advertisements in March 2002	2 786
TW Media	Advertising in tourist magazine <i>This Week in Canberra</i> . Four quarterly advertisements in total.	6 204
Vintage Publishing	Print advertising in Celebrate Canberra tourism booklet. One advertisement in annual publication.	3 225
WIN TV	Television advertising of ScreenSound screenings and events—40 advertisements over the year.	14 413
OUTCOME 4: SUB-TOTAL		131 010
MEDIA ADVERTISING ORGANISATIONS TOTAL		4 348 498

Appendix 6

Ecologically sustainable development and environmental performance

Following is the Department's report on ecologically sustainable development (ESD) and environmental performance in accordance with section 516a of the *Environment Protection and Biodiversity Conservation Act 1999* (the EPBC Act).

During the 2000–02 financial year, the Department implemented its Environmental Management Plan, endorsed by the Secretary in May 2000. Through the Plan, the Department is complying with a range of Government environmental management policies, including waste minimisation and energy conservation.

In accordance with the Commonwealth Energy Plan, the Department is proactive with its recycling program, including the recycling cardboard, paper, aluminium cans and used toner cartridges. Energy usage figures and costs are monitored and reported to the Department of Industry, Sciences and Resources on an annual basis.

With ongoing advice and assistance from the Australian Greenhouse Office, the Department aims to increase its use of 'green energy' at all its sites.

The Department ensures that all newly constructed or substantially refurbished commercial buildings, where it is the majority lessor, meet Commonwealth building energy use guidelines. New leases entered into include the requirement that the building owners are responsible for the installation of separate metering for tenant light and power and, where feasible, central services are attributed on a user pay system.

The Department's core building, located at 38 Sydney Avenue, Forrest, is surrounded by two substantial construction sites, the use of silt traps and other environmental abatement controls are being monitored. As a result of the new building works, the cooling towers are monitored on a monthly basis.

Table 11: DCITA's energy use and greenhouse gas emissions for 2001–02

Building	Energy UseKwh	MJ	GJ	(KgCO ²)	Number of Employees	Area (m ²)	MJ per Employee	MJ per m ²
38 Sydney Ave	1 202 998	3 700 662	3 700	962 172	456	8 975	8 114	412
Old Parliament House	3 340 239	10 275 243	10 275	2 671 563	150	25 000	6 850	411
28 National Circuit	120 423	370 445	3 704	96 315	51	771	7 262	657
122–124 Gladstone St	18 164	55 876	55	14 527	0	563	55 000	97
TOTAL 2001–02	4 681 824	14 402 226	17 734	3 744 577	657	35 309	26 992	502
TOTAL 2000–01	4 418 696	9 884 931	25 792	6 705 920	701	35 309	36 793	730
TOTAL 1999–00	4 653 895	8 968 861	25 723	6 687 980	783	44 338	32 852	580

NOTES:

- 1) The increase in electricity consumption for the current reporting period resulted from increased usage at OPH for public functions of 127 098 KWH, the Fishwick store for records management audit of 10 215 KWH and 38 Sydney Ave for extra office machines and setting up the computer training facility of 136 710KWH.
- 2) Old Parliament House operates between the hours of 7am–7pm, seven days per week. OPH facilities include a cafe, galleries, restaurant, bar, conference and function areas. After hours functions are held in various locations in OPH 24 hours per day including the air conditioning in the National Portrait Gallery
- 3) Figures for 28 National Circuit relate to the Department inheriting Info Access in February 2002 and office space used by EMPOWER (the Department's human resource management provider). Info Access relocated to the National Office of the Information Economy 1 July 2002.
- 4) 1999–2000 energy usage figures included building operations for the National Office of the Information Economy.
- 5) The Department entered into a new electricity supply contract with ACTEW-AGL arranged by the Australian Greenhouse Office for the next three years and using up to eight per cent green energy.

ScreenSound Australia, the National Film and Sound Archive

ScreenSound Australia has integrated environmental management practices and principles within its daily functional activities. It has developed specific programs and policies for the monitoring, recovery and recycling of environmental resources in the following ways:

- recycling of paper, cardboard, PET and glass products;
- recycling and/or environmentally friendly disposal of chemical wastes in accordance with local and state environmental protection regulations;
- regularly monitoring international best practice in chemical and environmental management, for example, the replacement of ozone depleting substances within specialist environmental control equipment;
- energy consumption auditing of all properties and the implementation of recommendations for the reduction of energy use and associated greenhouse gas production; and
- adoption of green purchasing practices as appropriate.

ScreenSound Australia strives to maintain a flexible approach to the ongoing management of the impact of its daily operations on the natural environment.

Questacon—the National Science and Technology Centre

This reporting period Questacon demonstrated its committed to delivering its best practice waste management strategy by implementing a number of waste recovery initiatives to improve waste management processes within the Centre and to reduce the volume of waste deposited to landfill. These initiatives form Stage 1 of the Centre's waste management strategy and included waste reduction through the establishment of a recycling station for drink cans, plastic drink bottles, glass jars, bottles, milk cartons, paper and cardboard.

The Centre successfully implemented Stage 1 of this strategy during 2001–02 to reduce waste.

Appendix 7

Discretionary grants

AccessAbility

Building Additional Rural Networks (BARN)

Community Broadcasting

Contemporary Music Touring Program

Cooma Call and Technology Centre

Cultural Development Program

Expanded Mobile Phone Coverage

Federation and Cultural Heritage Projects

Federation Community Projects

Internet Access for Regional and Rural Australia

Major Federation Fund Projects

Festivals Australia

Local Government Fund

Networking the Nation

Playing Australia

Regional Arts Fund

Remote and Isolated Communities Fund

Television Fund

Visions of Australia

More information about these programs is available on the Department's website at www.dcita.gov.au

Appendix 8

Staffing statistics

Staffing profile for the Department of Communications, Information Technology and the Arts

Table 12: Full-time and part-time staff at 30 June 2002

	Ongoing				Non-ongoing						Total
	Full-time		Part-time		Full-time		Part-time		Casual		
	M	F	M	F	M	F	M	F	M	F	
DCITA	207	240	7	47	24	34	2	9	4	4	578
Questacon	17	17	1	2	28	26	1	4	31	46	173
SSA	82	102	2	20	9	16	0	2	0	0	233

Table 13: Full-time and part-time staff at 30 June 2001

	Ongoing				Non-ongoing						Total
	Full-time		Part-time		Full-time		Part-time		Casual		
	M	F	M	F	M	F	M	F	M	F	
DCITA	202	221	7	30	21	47	5	18	0	0	551
Questacon	19	19	1	2	24	22	29	45	0	0	161
SSA	77	106	4	12	17	16	4	4	0	0	240

Table 14: Staff by classification groups and location at 30 June 2002

	APS 1	APS 2	APS 3	APS 4	APS 5	APS 6	EL 1	EL 2	LEG	SES 1	SES 2	SES 3	Dept Sec	Total
DCITA														
ACT	1	41	36	86	60	98	131	85	3	18	5	1	1	566
NSW	1	2	3	1	2	1	0	2	0	0	0	0	0	12
Total	2	43	39	87	62	100	131	86	3	18	5	1	1	578
Questacon														
ACT	31	40	35	12	12	16	15	7	0	0	1	0	0	169
NSW	0	0	0	2	0	1	0	1	0	0	0	0	0	4
Total	31	40	35	14	12	17	15	8	0	0	1	0	0	173
ScreenSound Australia														
ACT	1	32	47	37	35	30	20	8	N/A	2	1	N/A	N/A	213
NSW	0	1	4	1	2	0	2	0	N/A	0	0	N/A	N/A	10
VIC	0	1	4	1	2	0	2	0	N/A	0	0	N/A	N/A	10
Total	1	34	55	39	39	30	24	8	N/A	2	1	N/A	N/A	233

Table 15: Staff by classification groups and location at 30 June 2001

	APS 1	APS 2	APS 3	APS 4	APS 5	APS 6	EL 1	EL 2	PAO	LEG	MISC	ITP	SES 1	SES 2	SES 3	Dept Sec	Total
DCITA																	
ACT	1	22	39	59	58	96	121	72	16	6	17	8	18	4	2	1	540
NSW	0	0	2	4	1	2	0	2	0	0	0	0	0	0	0	0	11
Total	1	22	41	63	59	98	121	74	16	6	17	8	18	4	2	1	551
Questacon																	
ACT	32	37	36	7	11	15	12	7	0	0	0	0	0	1	0	0	158
NSW	0	0	0	2	0	0	1	0	0	0	0	0	0	0	0	0	3
Total	32	37	36	9	11	15	13	7	0	0	0	0	0	1	0	0	161
ScreenSound																	
ACT	2	40	56	34	32	24	22	8	0	0	0	0	2	1	0	0	221
NSW	0	0	4	1	3	0	1	0	0	0	0	0	0	0	0	0	9
VIC	0	1	4	1	2	0	2	0	0	0	0	0	0	0	0	0	10
Total	2	41	64	36	37	24	25	8	0	0	0	0	2	1	0	0	240

Table 16: Performance payments for 2001–02

Classification level	No. of employees paid	Aggregate amount	Average payment	Lowest payment	Highest payment
DCITA					
APS 1–6	6	21 228.55	3 538.09	2 331.12	5 000.00
Executive 1–2	37	245 081.64	6 623.83	1 344.44	11 549.07
SES	18	140 633.37	7 812.97	2 209.32	17 803.50
Total	61	406 943.56			

Note: Performance payments are not applicable for Questacon and ScreenSound staff.

Table 17: Performance payments under Corporate Services Market Testing AWA for 2001–02

Classification level	No. of employees paid	Aggregate amount	Average payment	Lowest payment	Highest payment
DCITA					
APS 1–EL1	12	97 286.33	8 107.19	6 450.55	13 712.22

Table 18: Number of staff on AWAs or Certified Agreement, by classification level for 2001–02

DCITA			
	Certified agreement	AWA	Total
SES	0	24	24
EL2	51	37	88
EL1	120	6	131
APS1–APS6	314	3	334
Total	485	70	577¹
Questacon			
SES	0	1	1
EL2	0	0	0
EL1	4	4	8
APS1–APS6	333	0	151
Total	337	5	160
Screen Sound			
SES	3	0	3
EL2	8	0	8
EL1	22	0	22
APS1–APS6	188	0	188
Total	221	0	221

¹ Note: this figure does not include the Secretary

Table 19: Range of salaries available by classification level

Type of agreement	Certified agreement		Australian Workplace Agreements	
	Salary range \$		Salary range \$	
DCITA and ScreenSound				
Classification	Minimum	Maximum	Minimum	Maximum
SES Band 2–3	–	–	118 690	140 063
SES Band 1	–	–	91 456	112 500
EL 2	69 465	85 534	69 465	93 916
EL 1	60 257	75 711	60 257	75 711
APS 6	47 078	55 540	52 064	55 540
APS 5	43 588	47 468	43 588	47 668
APS 4	39 080	43 578	–	–
APS 3	35 064	38 866	–	–
APS 2	30 785	35 060	–	–
APS 1	27 202	30 875	–	–

Note: Executive Level 1 and 2 classifications include classifications in the Legal and Public Affairs streams.

Questacon				
Classification	Lowest	Highest	Lowest	Highest
SES Band 2–3	–	–	110 000	120 000
SES Band 1	–	–	–	–
Legal Broadband	–	–	–	–
EL 2/Ex-SPOA	69 270	81 160	87 000	89 610
EL 1	60 060	64 855	–	–
APS 6	46 850	53 817	–	–
APS 5	43 377	45 996	–	–
APS 4	40 127	42 225	–	–
APS 3	34 893	39 602	–	–
APS 2	30 635	33 973	–	–
APS 1	14 995	29 919	–	–

Table 20: Summary of EEO data, staff in EEO groups as at 30 June 2002

Staff who volunteered EEO data						
Male	Female	Total 1	DCLB 1&2	ATSI	PWD	Total 2
DCITA						
244	334	578	51	3	5	301
42%	58%	100%	17%	1%	2%	20%
Questacon						
80	94	174	8	0	7	167
46%	54%	100%	4.5%	0%	40%	95.9%
ScreenSound Australia						
93	140	233	0	2	13	189
40%	60%	100%	0	1%	6%	79%

Key

Total 1: Ongoing and non-ongoing actual staff, including inoperatives. Percentages of men and women relate to this total.

Total 2: Total number of staff who volunteered EEO information. Percentages of EEO statistics relate to this total.

DCLB 1: People from diverse cultural & linguistic backgrounds (first generation).

DCLB 2: People from diverse cultural & linguistic backgrounds (second generation).

ATSI: Aboriginal and Torres Strait Islander peoples

PWD: People with a disability

Table 21: EEO groups within occupational groups as at 30 June 2002

Staff who volunteered EEO data							
	Male	Female	Total 1	DCLB 1&2	ATSI	PWD	Total 2
DCITA							
SES	17	8	25	1	0	1	18
Administrative	220	309	529	48	2	3	264
Professional	7	127	24	2	1	1	19
Total	244	334	578	51	3	5	301
Questacon							
SES	0	1	1	0	0	0	1
Administrative	70	82	152	6	0	6	146
Professional	10	11	21	2	0	1	20
Total	80	94	174	8	0	7	167
ScreenSound Australia							
SES and related	1	2	3	1	0	0	3
Non-SES	92	138	230	10	2	13	186
Total	93	140	233	11	2	13	189

Table 22: EEO Groups within the salary ranges as at 30 June 2002

Staff who volunteered EEO data				
	DCLB 1&2	ATSI	PWD	Total
DCITA				
< 30 785	0	0	0	0
30 785–35 063	3	0	0	3
35 064–39 079	2	0	0	2
39 080–43 587	7	1	2	10
43 588–47 077	9	0	1	10
47 078–60 256	8	1	1	10
60 257–69 464	16	1	0	17
69 465–85 535	4	0	0	4
> 85 534	2	0	1	3
Total	51	3	5	59
Questacon				
14 995–29 919	–	–	1	29
30 635–33 973	1	–	–	35
34 893–39 602	–	–	1	34
40 127–42 225	1	–	–	17
43 377–45 996	1	–	1	8
46 850–53 817	–	–	2	23
60 060–64 855	1	–	1	12
69 270–81 160	1	–	–	8
81 856–101 217	–	–	1	1
Total	5	–	7	167
ScreenSound Australia				
16 322–24 756	–	–	–	1
27 204–29 331	–	–	–	–
30 788–34 140	1	1	3	25
35 066–39 799	2	1	4	46
40 328–42 436	1	–	–	36
43 878–46 224	1	–	2	29
48 254–54 085	2	–	2	22
60 286–65 103	3	–	2	21
69 505–81 455	–	–	–	6
>81 455	1	–	–	3
Total	11	2	13	189

Key

Total: Total number of staff who volunteered EEO information.

DCLB 1: People from diverse cultural and linguistic backgrounds (first generation).

DCLB 2: People from diverse cultural and linguistic backgrounds (second generation).

ATSI: Aboriginal and Torres Strait Islander peoples

PWD: People with a disability

Appendix 9

Commonwealth Disability Strategy

The Commonwealth Disability Strategy (CDS) provides a framework to assist Commonwealth organisations to meet their obligations under the *Disability Discrimination Act 1992*. Following is an aggregated table addressing the current level of performance for 2001–02 against the performance indicators for each of the defined roles where relevant—policy advisor, regulator, purchaser, provider and employer. Also included is a report for ScreenSound and Questacon.

Department of Communications, Information Technology and the Arts

The Department's progress in terms of the CDS this reporting period included work undertaken by the Telecommunications and Information and Communications Technology divisions in assessing the impact of all new/revised policies on the lives of people with disabilities (PWD). The Department also included a social policy section in its New Policy Proposal proforma ensuring PWD considerations are recorded, and it provided electronic guidelines addressing accessibility considerations for officers planning and producing Departmental communication material.

In accordance with the Government's Online Strategy, and to address issues raised in the Vision Australia evaluation, the Department will be improving accessibility for its own website, the *New Connections* website and the Culture and Recreation Portal. In 2001–02, 13 successful applicants for Commonwealth telecommunications grants will directly benefit PWD groups. The Networking the Nation program funded several projects in regional Australia providing adaptive software for improved access to telecommunications services.

In the Department's Client Service Survey four respondents identified their requirements for accessible online material for people with disabilities or teletypewriter services. At Old Parliament House, all 140 volunteer guides received training in dealing with hearing-impaired visitors, and the National Portrait Gallery continued working to devise a program for blind visitors.

This reporting period, as an employer, the Department updated several of its policies to comply with the requirements of the *Disability Discrimination Act (1992)* including performance management, workplace diversity, harassment and OH&S.

Questacon

Questacon's progress with the CDS this reporting period is reflected in their PWD strategies and includes ensuring accessibility of the Centre, providing cultural diversity training programs and developing/reviewing policies in line with the *Disability Discrimination Act 1992*.

Questacon's 2001–02 CDS report is outlined on pages 175 to 177.

ScreenSound Australia

ScreenSound Australia reported against the roles of purchaser, provider and employer for the CDS. Key outcomes for ScreenSound Australia include developing presentations for sensory impaired people, producing brochures which identify the availability of the building's wheelchair access and facilities, and reviewing its human resources policies and guidelines for consistency with disability legislation and good practice. ScreenSound Australia's 2001–02 CDS report is outlined on pages 178 to 180.

Department of Communications, Information Technology and the Arts

Policy advisor role

Performance indicator	Performance measure	Current level of performance 2001–02	Goals for 2002–03
<p>1. New or revised policy/program assess impact on the lives of people with disabilities (PWD) prior to decision.</p> <p>New</p> <p>i. Teletypewriter (TTY) Training Program*</p> <p>ii. Review of Telstra price caps</p> <p>iii. Low Income Assessment Measures</p> <p>iv. Response to Productivity Commission on Telecommunications competition</p> <p>v. Draft regulations to address advertising of telephone sex services</p> <p>vi. Telecommunications Action Plan for Remote Indigenous Communities (TAPRIC)*</p> <p>vii.Reduced USO/CSG timeframe in remote areas*</p> <p>viii.Priority assistance arrangements (update of Telstra licence conditions)*</p> <p>ix.Special Digital Data Service (Hotkey approval)*</p> <p>x.New Connections Website*</p> <p>xi.National Communications Fund*</p> <p>xii.Radio Black Spots Program</p> <p>Revised</p> <p>i.Creators Rights</p> <p>ii.Indigenous Moral Rights</p> <p>iii.Cross-Media and Foreign Ownership</p> <p>iv.Fee Regime for High Powered Open Narrowcasters</p> <p>v.New Priority for consumer representation grants (Telecommunications)*</p>	<p>Percentage of new or revised policy/program proposals that document that the impact of the proposal was considered prior to the decision making stage.</p>	<p>Of the Department's 12 new policies 58 per cent included an assessment of the impact on PWD. All new policies created by the Telecommunications/ ICT divisions assessed the impact on PWD.</p> <p>Of the Department's five revised policies, 20 per cent assessed impact on PWD. (Note: Telecommunications policies achieved 100 per cent in terms of PWD assessment.)</p> <p>In addition, the Arts program undertook three reviews with no community specific impact and were therefore not included in the above figures.</p> <p>New policy proposal template</p> <p>During the year the Department developed a social policy section for inclusion in its internal New Policy Proposal proforma to record consideration of impact on PWD. To be implemented at the beginning of 2002–03.</p> <p>Snapshot comments</p> <p>New:</p> <p>Training program for users of TTY announced March 2002. To be provided by National Relay Service provider, Australian Communications Exchange (ACE), under its current contract with the Australian Communications Authority. Up to \$275 000 will be provided to ACE to run the program.</p> <p>Revised:</p> <p>\$593 Telecommunications Consumer Representation Grants—greater priority to be given to consumer representation by PWD. 35 per cent of applicants for 2002–03 grants were PWD groups. Sixty-one per cent of successful applicants PWD groups.</p>	<p>Utilise the new proforma for internal New Policy Proposals to ensure the impact on the lives of people with a disability is considered in all new policies.</p> <p>Management to encourage consideration of the impact on PWD in new and revised policies/programs.</p> <p>To implement the five elements of TAPRIC.</p> <p>To continue to refine the New <i>Connections</i> Website, including further consideration of Vision Australia's recommendations for improving its accessibility.</p>

*Note those new policy proposals marked with an asterisk denote consideration of the impact on PWD

Policy advisor role

Performance indicator	Performance measure	Current level of performance 2001–02	Goals for 2002–03
2. People with disabilities are included in consultation about new or revised policy/program proposals.	Percentage of consultations about new or revised policy/program proposals that are developed in consultation with people with disabilities.	<p>Twelve new policies—58 per cent held consultations with organisations representing PWD.</p> <p>Five revised policies—20 per cent held consultations with organisations representing PWD.</p> <p>New policy proposal template</p> <p>During the year the Department developed a social policy section for inclusion in its internal New Policy Proposal proforma to record consideration of impact on PWD. To be implemented at the beginning of 2002–03.</p> <p>Snapshot comments</p> <p>TAPRIC—consultation documented, including accessibility issues for people with disabilities.</p> <p>New Connections Website—report by Vision Australia with recommendations for improving the accessibility of the site. Some have been implemented, others under consideration. Also evaluated using 'Bobby'.</p> <p>National Communications Fund – consultations held with the Department of Family and Community Services, key disability groups prior to developing program guidelines and application form.</p>	<p>Utilise the new proforma for internal New Policy Proposals to ensure the impact on the lives of people with a disability is considered in all new policies. Template mentions consultation as a means of achieving this.</p> <p>Increase awareness of the requirement for consultation about new policies/programs with PWD.</p>
3. Public announcements of new, revised or proposed policy/program initiatives are available in accessible formats* for people with disabilities in a timely manner.	Percentage of new, revised or proposed policy/program announcements available in a range of accessible formats.	Agency made 331 media announcements. Of these, 100 per cent were available on the Internet in html. Information also distributed in hardcopy.	One hundred per cent of electronic information is available in an accessible format at the time of the public announcement.

* Accessible electronic formats include ASCII (or Text) files and HTML for the web. Non-electronic accessible formats include braille, audio cassettes, large print and easy english. Other ways of making information accessible include video captioning and Auslan interpreters

Policy advisor role

Performance indicator	Performance measure	Current level of performance 2001–02	Goals for 2002–03
	Time taken in providing announcements in accessible formats.	<p>No requests received for information in other formats.</p> <p>Vision Australia reviewed the new Departmental website prior to its launch, assessing against WC3 standards.</p> <p>Actions</p> <ol style="list-style-type: none"> 1.Guidelines on planning for and producing materials in accessible formats, available on the intranet by January 2002. 2.Corporate Communications established a log for requests for information in accessible formats and the timeframes involved, by August 2001. 	<p>One hundred per cent of customers requesting information in accessible formats (other than electronic) will be responded to within five days of the request by the responsible line area.</p> <p>Launch of new DCITA website in July 2002—compliant with three levels of the W3C Web Content Accessibility Guidelines. The Department will continue to improve accessibility in future rebuilds in accordance with the Department's commitment to the Government Online Strategy.</p> <p>Management aware procedures for handling requests for information in alternative accessible formats</p>

Regulator role

<ol style="list-style-type: none"> 1.Publicly available information on regulations and quasi-regulations is available in accessible formats for people with disabilities. 2.Publicly available regulatory compliance reporting is available in accessible formats for people with disabilities. 	<p>Percentage of publicly available information on regulations and quasi-regulations requested and provided in accessible electronic formats and accessible formats other than electronic.</p> <p>Average time taken to provide accessible material in electronic format, and formats other than electronic.</p>	<p>One hundred per cent of all publicly available material is available on website in html format. This includes online links to draft regulations and explanatory materials when a public consultation process was undertaken.</p> <p>Departmental Regulatory Plan available on website.</p> <p>No requests received for information on regulations and quasi-regulations or for compliance reporting in accessible formats.</p> <p>Vision Australia reviewed the new website prior to its launch, assessing against WC3 and Bobby guidelines.</p>	<p>One hundred per cent of electronic information is available in an accessible format at the time of the public announcement.</p> <p>One hundred per cent of customers requesting information in accessible formats (other than electronic) will be responded to within five days of the request by the responsible line area.</p> <p>Launch of new DCITA website in July 2002—compliant with three levels of the W3C Web Content Accessibility Guidelines. The Department will continue to improve accessibility in future rebuilds in accordance with the Department's commitment to the Government Online Strategy.</p> <p>Management aware procedures for handling requests for information in alternative accessible formats.</p>
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Purchaser role

Performance indicator	Performance measure	Current level of performance 2001–02	Goals for 2002–03
1. Publicly available information on agreed purchasing specifications are available in accessible formats for people with disabilities.	<p>Percentage of publicly available information on regulations and quasi-regulations requested and provided in accessible electronic formats and accessible formats other than electronic.</p> <p>Average time taken to provide accessible material in electronic format, and formats other than electronic.</p>	<p>Contracts</p> <p>Ninety six per cent of documentation for open tender processes available online (the remaining four per cent of our open tenders were for construction related activities and contained floor plans that were not easily transferred to an online environment).</p> <p>One hundred per cent of all tender documentation available in accessible electronic formats.</p> <p>Provision of tender documentation to interested parties requesting tender documentation in accessible formats other than electronic is currently five (5) working days of the request.</p> <p>Grants programs</p> <p>100 per cent of grant program guidelines available online.</p> <p>The TV Fund Unit provided information in audio format—no other requests.</p> <p>Department annual grant in aid to the Community Broadcasting Foundation (CBF), which in turn makes individual grants to community broadcasters, including radio for the print handicapped. Information in a range of accessible formats available on CBF website. Link from Department's website.</p> <p>General</p> <p>Vision Australia reviewed the new website prior to its launch, assessing against WC3 and Bobby guidelines.</p> <p>Guidelines on planning for and producing materials in accessible formats, available on the Intranet by January 2002.</p> <p>Corporate Communications established a log for requests for information in accessible formats and the timeframes involved, by August 2001.</p>	<p>One hundred per cent of documentation for open and restricted tender processes available online through the Commonwealth Electronic Tendering System</p> <p>Maintain current level of availability of tender documentation in accessible electronic formats.</p> <p>Review our procedures for the provision of tender documentation to interested parties in accessible formats (other than electronic) to ensure that PWD are not disadvantaged by our tender processes.</p> <p>General</p> <p>Launch of new DCITA website in July 2002—compliant with three levels of the W3C Web Content Accessibility Guidelines. The Department will continue to improve accessibility in future rebuilds in accordance with the Department's commitment to the Government Online Strategy.</p> <p>Management aware procedures for handling requests for information in alternative accessible formats.</p>

Purchaser role

Performance indicator	Performance measure	Current level of performance 2001–02	Goals for 2002–03
2. Processes for purchasing goods or services with a direct impact on the lives of people with disabilities are developed in consultation with people with disabilities.	Percentage of processes for purchasing goods or services that directly impact on the lives of people with disabilities that are developed in consultation with people with disabilities.	<p>Contracts</p> <p>Procurement of goods that directly impact on the lives of PWD employed by this Department are developed in consultation with PWD through a Service Provider and central area of the Department.</p> <p>The Department currently has an outsourcing arrangement with a Service Provider for the delivery of services that directly impact on the lives of PWD employed by this Department.</p> <p>The Department also undertook capital projects for the fitout of the National Office for the Information Economy offices in both Melbourne and Sydney where the accessibility for PWD was part of the contract deliverables.</p> <p>Grants programs</p> <p>Annual grant to Community Broadcasting Foundation funding processes conducted with full involvement of print handicapped organisations.</p> <p>Grants programs can offer assistance to applicants.</p> <p>S593 Telecommunications consumer representation grants, priority is for PWD (8.13 successful applicants assessed in 2001–02 for 2002–03 grants are directly for PWD groups).</p> <p>Networking the Nation funded a number of projects in regional Australia providing adaptive software to permit improved access to telecommunications services.</p>	To continue to ensure processes are developed in consultation with PWD.

Purchaser role

Performance indicator	Performance measure	Current level of performance 2001–02	Goals for 2002–03
3. Purchasing specifications and contract requirements for the purchase of goods and services are consistent with the requirements of the <i>Disability Discrimination Act 1992</i> .	<p>Percentage of purchasing specifications for goods and services that specify that tender organisations must comply with the <i>Disability Discrimination Act 1992</i>.</p> <p>Percentage of contracts for the purchase of goods and services that require the contractor to comply with the <i>Disability Discrimination Act 1992</i>.</p>	<p>Contracts</p> <p>All of the Department's standard contracts require compliance with Commonwealth legislation including the <i>Disability Discrimination Act 1992</i>. Draft contracts are supplied with all standard request for tender documentation so that all tender organisations are aware of the requirements.</p> <p>Grant deeds</p> <p>The Department's funding deeds state: The recipient must comply with the provisions of all relevant statutes, regulations, by-laws, and requirements of the Commonwealth and the State or Territory and local authorities.</p> <p>The Department played an active role developing a whole-of-government standard funding arrangement which will list some of the provisions in a Schedule eg. <i>Disability Discrimination Act 1992</i>.</p>	<p>Contracts</p> <p>Continuing review of tender documentation developed by the Department to ensure that our processes do not disadvantage PWD.</p> <p>Grants</p> <p>A whole-of-government standard funding deed arrangement to come into operation.</p>

Purchaser role

Performance indicator	Performance measure	Current level of performance 2001–02	Goals for 2002–03
4. Publicly available performance reporting against the purchase contract specifications requested in accessible formats for people with disabilities is provided.	<p>Percentage of purchasing specifications for goods and services that specify that tender organisations must comply with the <i>Disability Discrimination Act 1992</i>.</p> <p>Percentage of contracts for the purchase of goods and services that require the contractor to comply with the <i>Disability Discrimination Act 1992</i>.</p>	<p>Contracts</p> <p>Publicly available performance information in relation to contracts and tendering is currently available online in the Commonwealth Purchasing and Disposals Gazette.</p> <p>The Department also holds performance information in relation to the Order of the Senate for Department and agency contracts online on the Department's website.</p> <p>Grant programs</p> <p>Available online in accessible electronic format. The Minister announces all funding information through Media releases online.</p> <p>AccessAbility Program (now closed) final reports received 2001–02.</p> <p>Other accessible formats on request.</p> <p>No requests received for information in other accessible formats.</p> <p>Vision Australia reviewed the new website prior to its launch, assessing against WC3 and Bobby guidelines.</p> <p>Guidelines on planning for and producing materials in accessible formats, available on the Intranet by January 2002.</p> <p>Corporate Communications established a log for requests for information in accessible formats and the timeframes involved, by August 2001.</p>	<p>Contracts</p> <p>Maintain the level of accessibility for publicly available performance information in relation to contracts and tendering.</p> <p>General</p> <p>One hundred per cent of electronic information is available in an accessible format.</p> <p>One hundred per cent of customers requesting information in accessible formats (other than electronic) will be responded to within five days of the request by the responsible line area.</p> <p>Launch of new DCITA website in July 2002—compliant with three levels of the W3C Web Content Accessibility Guidelines. The Department will continue to improve accessibility in future rebuilds in accordance with the Department's commitment to the Government Online Strategy.</p> <p>Management aware procedures for handling requests for information in alternative accessible formats</p> <p>Grant program project outcomes to be provided online (e.g. NTN/AccessAbility). New Online Grants Management System to be introduced for all grants programs.</p>

Purchaser role

Performance indicator	Performance measure	Current level of performance 2001–02	Goals for 2002–03
5. Complaints/grievance mechanisms, including access to external mechanisms, in place to address concerns raised about provider's performance.	Established complaints/grievance mechanisms, including access to external mechanisms, in operation.	<p>The Department's Service Charter outlines a formal complaint mechanism, including access to external mechanisms. There were no complaints lodged during the year.</p> <p>Grant programs have well established feedback mechanisms. In general, grants program areas on the website offer feedback mechanisms. Verbal and written feedback from the Department to grant applicants also occurs. A 'freecall 1800' telephone service operates for some grant programs as an avenue for complaints.</p>	Review contract and tender documentation to ensure that all respondents have access to external mechanisms that address concerns raised about provider's performance, including the Purchasing Complaints Advisory Service and the Commonwealth Ombudsman.

Provider role

1. Providers have established mechanisms for quality improvement and assurance.	Evidence of quality improvement and assurance systems in operation.	<p>Client Service Survey (relating to Service Charter)</p> <p>The 2002 Client Survey had four respondents who identified they required online material accessible to people with disabilities or TTY services to access the Department's services.</p> <p>Old Parliament House (OPH) and the National Portrait Gallery (NPG)</p> <p>take into account a range of social justice and equity issues when designing public programs, such as school programs, events and exhibitions. Management is also mindful of the need to continue to provide access to the building for people with disabilities.</p> <p>All 140 OPH Volunteer Guides have received training in dealing with hearing-impaired visitors.</p> <p>OPH has taken a range of measures to meet the needs of a number of Volunteers with various disabilities and enable them to participate in Volunteer activities.</p> <p>Further improvements to Front of House disabled access have been made in 2001–02.</p>	<p>Finalise the OPH/NPG Building Access Study and consider its findings and recommendations.</p> <p>Initiate works to improve OPH compliance with relevant building codes</p> <p>The NPG expects to have in place in the near future several tactile low vision 'maps' of portraits in our collection, with braille text, that will enable visitors to experience portraits first hand. A prototype has now been developed.</p> <p>Undertake design studies to improve front and rear building access and toilet access at OPH.</p> <p>Liaise with relevant bodies (including the Australian Heritage Commission) on measures and compromises necessary to achieve reasonable access standards.</p> <p>Ensure that all OPH Volunteer Guides receive training in dealing with visually-impaired visitors.</p>
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Provider role

Performance indicator	Performance measure	Current level of performance 2001–02	Goals for 2002–03
		<p>The NPG Assistants have attended training and development programs, specifically to understand the needs of the hearing impaired and the visually impaired. The Gallery has had in place for some time now multiple copies of large format labels for visitors with visual impairment. The NPG is also continuing to devise a program for blind visitors in conjunction with the National Gallery of Australia.</p> <p>The NPG has hosted educational programs for students who are intellectually challenged.</p> <p>An access study for OPH/ NPG was commenced in 2001–02. It will include examination of current access arrangements for people, levels of compliance with current guidelines and possible proposals to upgrade building elements as necessary, all within the context of OPH as a heritage-listed building.</p> <p>Departmental website</p> <p>Vision Australia reviewed the new website prior to its launch, assessing against WC3 and Bobby guidelines.</p> <p>New Connections website (see report under 'Policy' role)</p> <p>Culture and recreation web portal</p> <p>This portal delivers cultural information through its website.</p> <p>To ensure that the Portal met international standards, a review was commissioned from Vision Australia. The review indicates that the website is not yet fully meeting current accessibility standards.</p>	<p>Launch of new DCITA website in July 2002—compliant with three levels of the W3C Web Content Accessibility Guidelines. The Department will continue to improve accessibility in future rebuilds in accordance with the Department's commitment to the Government Online Strategy.</p> <p>Implement recommendations made in the Vision Australia report to improve accessibility to CARP</p>
2.Providers have an established service charter that specifies the roles of the provider and consumer and service standards which address accessibility for people with disabilities.	Established service charter that adequately reflects the needs of people with disabilities in operation.	Departmental Service Charter addresses diversity concerns.	To continue to ensure processes are developed in consultation with PWD.

Provider role

Performance indicator	Performance measure	Current level of performance 2001–02	Goals for 2002–03
3.Complaints/grievance mechanisms, including access to external mechanisms, in place to address concerns raised about performance.	Established complaints/grievance mechanisms, including access to external mechanisms, in operation.	<p>The Department's Client Service Charter outlines a formal complaint mechanism, including access to external mechanisms. There were no complaints lodged during the year.</p> <p>The Cultural and Recreation web portal has a feedback mechanism (link on every page). Also actively seeks feedback through electronic contributors newsletter and OzeCulture newsletter.</p> <p>Departmental website has a 'feedback' and 'contact us' link.</p>	Encourage greater feedback on accessibility for people with disabilities.

Employer role

1. Employment policies, procedures and practices comply with the requirements of the <i>Disability Discrimination Act 1992</i> .	Number of employment policies, procedures and practices that meet the requirements of the <i>Disability Discrimination Act 1992</i> .	<p>A number of employment policies have been updated during the reporting period, and comply with the requirements of the Act:</p> <ul style="list-style-type: none"> • Performance management • Workplace diversity • Harassment • OHS <p>The DCITA Certified Agreement has also been renegotiated. It too complies with the Act.</p>	<p>Update the following programs:</p> <ul style="list-style-type: none"> • Induction and Orientation • Recruitment and Selection
2. Recruitment information for potential job applicants is available in accessible formats on request	<p>Percentage of purchasing specifications for goods and services specifying tender organisations must comply with the <i>Disability Discrimination Act 1992</i>.</p> <p>Percentage of contracts for the purchase of goods and services that require the contractor to comply with the <i>Disability Discrimination Act 1992</i>.</p>	<p>All recruitment information is available on the DCITA website and intranet.</p> <p>Recruitment staff are also able to provide information in hard copy, large print, or other formats on request. Nil requests received during the reporting period.</p> <p>TTY phone in the Recruitment Section is available for people with a hearing disability to place requests for recruitment information.</p>	Update the Departmental website to provide information to applicants about the Department's Workplace Diversity policy.

Employer role

Performance indicator	Performance measure	Current level of performance 2001–02	Goals for 2002–03
3. Agency recruiters and managers apply the principle of reasonable adjustment.	Percentage of recruiters and managers provided with information on reasonable adjustment.	Zero per cent of recruiters and managers provided with specific information on reasonable adjustment. Current recruitment and selection policy places requirement on recruiters and selection panels to apply merit and equity to selection activities.	One hundred per cent of recruiters and managers provided with information on reasonable adjustment. Also, one hundred per cent of training provided for recruiters and selection panels will include information on reasonable adjustment.
4. Training and development programs consider the needs of staff with disabilities.	Percentage of training and development programs that consider the needs of staff with disabilities.	Ninety five per cent of the Core Training Calendar provides training programs in-house. Physical access to the building is appropriate.	Where training and development programs are planned off-site, venues with appropriate access for people with disabilities will be used and input from attendees will be sort about their access requirements. The online Core Training Calendar site will be amended to include an invitation to people with a disability to discuss their particular needs (in relation to advertised training programs) with HR Services.
5. Training and development programs include information on disability issues as they relate to the content of the program.	Percentage of training and development programs that include information on disability issues as they relate to the program.	Zero per cent of training and development programs have included information on disability issues as they relate to the training program.	One hundred per cent of training programs for: Induction and orientation: <ul style="list-style-type: none"> • Workplace Diversity Network members; • recruiters and selection committee members; • all staff on diversity; • all staff on creating an harassment-free workplace; and • will include information on disability issues.
6. Complaint/grievance mechanism, including access to external mechanisms, in place to address issues and concerns by staff.	Established complaints/grievance mechanisms, including access to external mechanisms in operation.	Current Certified Agreement includes provisions for complaint and grievance resolution, including access to external mechanisms. Current Workplace Diversity Network handled a number of informal complaints. One complaint during the reporting period involved disability issues.	New Certified Agreement to contain similar complaint and grievance resolution mechanisms. One hundred per cent of staff to receive updated advice on the complaints/grievance process after the Certified Agreement is certified. New members of Workplace Diversity Network will receive training in how to handle complaints.

Questacon—the National Science and Technology Centre

Provider role

Performance indicator	Performance measure	Current level of performance 2001–02	Goals for 2002–03
1.Providers have established mechanisms for quality improvement and assurance.	Evidence of quality improvement and assurance systems in operation.	<p>Currently developing strategies to meet the needs of people with disabilities in terms of:</p> <ul style="list-style-type: none"> • the accessibility of the Centre; • courteous and prompt customer service; • refining the customer service charter to reflect the needs of people with disabilities; and • reviewing the project planning processes to include the needs of people with disabilities when concepting and developing exhibitions. <p>Cultural Diversity Training Programs in line with the development of specific programs and exhibitions dealing with Indigenous culture.</p>	<p>1.The Customer Service Team will make recommendations on ways to better meet the needs of people with disabilities in the three key areas listed by February 2003.</p> <p>The Marketing team will ensure that people with disabilities are surveyed as part of the Customer Satisfaction Survey prior to March 2003</p>
2.Providers have an established service charter that specifies the roles of the provider and consumer and service standards addressing accessibility for people with disabilities.	Established service charter that adequately reflects the needs of people with disabilities in operations.	<p>Departmental Service Charter addresses diversity.</p> <p>Questacon Service Charter in place specifying the roles of the Agency and its customers.</p> <p>Continuous improvement responding to visitor surveys and customer feedback.</p>	Marketing Team to seek feedback from national disability peak bodies for comment by March 2003 to feed into revised customer service charter
3.Complaints/grievances mechanisms, including access to external mechanisms, in place to address concerns raised about performance.	Established complaints/grievances mechanisms, including access to external mechanisms, in operation.	<p>The Centre has an established complaints/grievance process for addressing concerns about our performance.</p> <p>Feedback from our customer service charter is addressed.</p> <p>An analysis of comments received indicates no particular disability related issues have been raised about our performance.</p>	The Centre will review the Customer Service Charter and complaints handling process and advise on barriers for people with disabilities, and make recommendations on removing potential barriers by March 2003.

Employer role

Performance indicator	Performance measure	Current level of performance 2001–02	Goals for 2002–03
1. Employment policies, procedures and practices comply with the requirements of the <i>Disability Discrimination Act 1992</i> .	Number of employment policies, procedures and practices that meet the requirements of the <i>Disability Discrimination Act 1992</i> .	<p>During 2001–02, the Centre developed and reviewed the following employment policies in line with the <i>Disability Discrimination Act 1992</i>:</p> <ul style="list-style-type: none"> • recruitment guidelines; • induction process; • workplace harassment; and • Occupational Health and Safety Policy 	<p>The Centre will review and consider the following policies and procedures in line with the <i>Disability Discrimination Act 1992</i></p> <ul style="list-style-type: none"> • Certified Agreement; • Workplace Diversity Program; and • Training and Development Program. <p>The Centre will include workshops & briefings in the principles of the <i>Disability Discrimination Act 1992</i>, during the consultative process when developing the new Certified Agreement.</p>
2. Recruitment information for potential job applicants is available in accessible formats on request.	<p>Percentage of publicly available information on regulations and quasi-regulations requested and provided in accessible electronic formats and accessible formats other than electronic.</p> <p>Average time taken to provide accessible material in electronic format, and formats other than electronic.</p>	<p>One hundred per cent of requests for electronic information are met via the Qwestacon Internet recruitment site.</p> <p>One hundred per cent of customers requesting information in accessible formats (other than electronic) will be satisfied in the format preferred within 24 hours from request.</p> <p>If necessary (rare), extensions to the closing date for applications is made in keeping with the time taken to supply information in accessible format/s.</p> <p>No requests for information in large print format to date.</p> <p>The Centre is able to provide statistics on the current usage of our Internet recruitment site.</p>	<p>People Support & Development (PS&D) team will further investigate and have on hand recruitment information in various accessible formats by January 2003.</p> <p>The PS&D team will keep a record of all requests for information in accessible formats and the related timeframes to report to the Qwestacon Leadership Team February 2003.</p>
3. Agency recruiters and managers apply the principle of reasonable adjustment.	Percentage of recruiters and managers provided with information on reasonable adjustment.	<p>The Centre does not have external contractors involved in recruitment and selection processes.</p> <p>Current recruitment and selection guidelines do not contain advice on reasonable adjustment.</p>	<p>One hundred per cent of internal recruiters will receive advice on reasonable adjustment at the start of the recruitment process by Nov 2002.</p> <p>One hundred per cent of managers to receive updated advice on the principles and practice of reasonable adjustment by November 2002</p> <p>The Selection Guidelines will be updated to include advice on reasonable adjustment, by November 2002.</p>

Employer role

Performance indicator	Performance measure	Current level of performance 2001–02	Goals for 2002–03
4. Training and development programs consider the needs of staff with disabilities.	Percentage of training and development programs that consider the needs of staff with disabilities.	The Centre has not kept data on the number of training and development courses that have considered the needs of people with disabilities.	<p>All training undertaken by staff of the Centre will take into account and address particular disability access needs and evaluation forms will include questions on whether identified needs have been met, by December 2002.</p> <p>All Managers will be briefed on the importance of identifying specific needs of people with disabilities, whilst undergoing training and development, by December 2002.</p>
5. Training and development programs include information on disability issues as they relate to the content of the program.	Percentage of training and development programs that include information on disability issues as they relate to the program.	<p>The Centre currently runs several training and development programs.</p> <p>Cultural diversity and workplace harassment training are the only two programs addressing disability issues.</p> <p>Performance Measure</p> <p>20 per cent</p>	<p>The Centre will strive to ensure all development programs are developed in consultation with training providers and will integrate the ideas or case studies from the CDS Training Resources (where appropriate), into any course content on an ongoing basis.</p> <p>The following are the programs planned;</p> <ul style="list-style-type: none"> • diversity; • project planning; • risk management; • customer service training; and • leadership development. <p>The Centre will record which training and development programs integrate disability issues into the course content each six months.</p>
6. Complaint/grievance mechanism, including access to external mechanisms, in place to address issues and concerns by staff.	Established complaints/grievance mechanisms, including access to external mechanisms in operation	<p>The Centre has established processes for the handling of complaints, which includes access to external mechanisms (for example, Employee Assistance Program, Merit Protection and Review Agency).</p> <p>The Centre has received no complaints/grievances involving disability issues in the workplace during 2001–02.</p>	One hundred per cent of staff to receive briefings and updated advice on the complaints/grievance processes and available avenues of support by December 2002.

ScreenSound Australia, the National Film and Sound Archive

Purchaser role

Performance indicator	Performance measure	Current level of performance 2001–02	Goals for 2002–03
1. Publicly available information on agreed purchasing specifications are available in accessible formats for people with disabilities.	Percentage of publicly available information on regulations and quasi-regulations requested and provided in accessible electronic formats and accessible formats other than electronic. Average time taken to provide accessible material in electronic format, and formats other than electronic.	Tender documents are placed on ScreenSound Australia's website.	To continue to ensure publicly available information on agreed purchasing specifications are available in accessible formats for PWD.
3. Purchasing specifications and contract requirements for the purchase of goods and services are consistent with the requirements of the Disability Discrimination Act 1992.	Percentage of purchasing specifications for goods and services that specifying tender organisations must comply with the <i>Disability Discrimination Act 1992</i> . Percentage of contracts for the purchase of goods and services that require the contractor to comply with the <i>Disability Discrimination Act 1992</i> .	Contracts All contracts include a clear statement that the successful tenderer must comply with the <i>Disability Discrimination Act 1992</i> .	To continue to ensure purchasing specifications and contract requirements for the purchase of goods and services are consistent with the requirements of the <i>Disability Discrimination Act 1992</i> .
4. Publicly available performance reporting against the purchase contract specifications requested in accessible formats for people with disabilities is provided.	Percentage of publicly available information on regulations and quasi-regulations requested and provided in accessible electronic formats and accessible formats other than electronic. Average time taken to provide accessible material in electronic format, and formats other than electronic.	It has not been necessary to date to report on requests for access as there have not been any.	A review will be conducted to assess the value of including ScreenSound reports in the Department's reporting framework.
5. Complaints/grievances mechanisms, including access to external mechanisms, in place to address concerns raised about provider's performance.	Established complaints/grievances mechanisms, including access to external mechanisms, in operation.	ScreenSound Australia's Service Charter outlines a formal complaints mechanism.	No goals identified for 2002–03.

Provider role

1. Providers have established mechanisms for quality improvement and assurance.	Evidence of quality improvement and assurance systems in operation, for example with exhibition: <ul style="list-style-type: none"> • signage • audio props • design • accessibility of props • special tours 	<p>Feedback from clients and customer surveys are used to identify areas of improvement in meeting the needs of people with disabilities.</p> <p>The Public Education Section provides special presentations for sensory impaired people.</p> <p>Public brochures and flyers identify availability of wheelchair access and facilities.</p>	<p>Accessibility will be a key issue for State Offices, including new premises for the Melbourne office, which will have wheelchair access.</p> <p>Develop suitable publicity to raise awareness of sensory impaired presentations.</p> <p>Review accessibility of exhibitions for example signage, lighting etc</p>
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Provider role

Performance indicator	Performance measure	Current level of performance 2001–02	Goals for 2002–03
2.Providers have an established service charter that specifies the roles of the provider and consumer and service standards addressing accessibility for people with disabilities.	Established service charter that adequately reflects the needs of people with disabilities in operation.	Key objectives in ScreenSound Australia's Service Charter include: <ul style="list-style-type: none"> • making the Collection available to as many people and organisations as possible; and • exploring new technologies to improve our range of services and modes of access. 	Supporting documentation to be reviewed to specify disability access and facilities.
3.Complaints/grievances mechanisms, including access to external mechanisms, in place to address concerns raised about performance.	Established complaints/grievances mechanisms, including access to external mechanisms, in operation.	ScreenSound has an established complaints system for visitors to its premises and users of its website.	A review of the complaints/grievance handling process to advise of any potential barriers for people with disabilities and provide recommendations on appropriate action.

Employer role

1.Employment policies, procedures and practices comply with the requirements of the <i>Disability Discrimination Act 1992</i> .	Number of employment policies, procedures and practices that meet the requirements of the <i>Disability Discrimination Act 1992</i> .	HR policies and guidelines have been reviewed and are consistent with relevant disability legislation and good practice. All people involved in the policy development process are briefed on the principles of the <i>Disability Discrimination Act 1992</i> .	Assess the extent to which work practices comply with the principles of the <i>Disability Discrimination Act 1992</i> .
2.Recruitment information for potential job applicants is available in accessible formats ⁵ on request.	Percentage of publicly available information on regulations and quasi-regulations requested and provided in accessible electronic formats and accessible formats other than electronic. Average time taken to provide accessible material in electronic format, and formats other than electronic.	All job vacancies open to the public are advertised on ScreenSound Australia's website. A selection of standard recruitment materials in accessible format is kept in stock or can be readily made available.	A register will be kept of all requests for information in accessible formats and average time taken to deliver.

Employer role

Performance indicator	Performance measure	Current level of performance 2001–02	Goals for 2002–03
4. Training and development programs consider the needs of staff with disabilities.	Percentage of training and development programs that consider the needs of staff with disabilities.	All training courses/venues internal or external consider wheelchair access and sensory impairments (hearing/visual).	<p>ScreenSound Australia is investigating the proposal of introducing 'Induction Hearing Loops' within its theatre and meeting room facilities to cater for hearing impaired persons.</p> <p>Sensory impairment awareness training for employees is included in the Diversity Training Plan.</p> <p>Employees involved in customer service and exhibitions sections have been trained in identifying needs for people with disabilities.</p> <p>Training nomination forms allow for employees to identify any particular requirements relating to a disability.</p> <p>Evaluation forms allow for feedback where disability needs may not have been addressed.</p>

Appendix 10

Networking the Nation Board Annual Report



Senator the Hon Richard Alston
Minister for Communications,
Information Technology and the Arts
Parliament House
CANBERRA ACT 2600

Dear Minister

In accordance with the terms of appointment of the members of the Board for the Networking the Nation (NTN) program, I submit the annual report of the Board for the 2001-2002 financial year.

A total of \$68.6 million was committed through the NTN program in the period under review. The financial statements detailing this commitment is included in the Department of Communication, Information Technology and the Arts 2001-2002 Annual Report and has been audited by the Australian National Audit Office.

As the funding for the NTN General Fund, Remote and Isolated Islands and the Local Government Fund has almost been completed, the Board would like to express their appreciation for the work of the Secretariat. The Board notes that more than half of the approved projects are being implemented and we look forward to the year ahead as regional communities continue to benefit from improvements in regional telecommunications infrastructure and services. The projects have been partly funded by NTN and partly by local support from individuals, organisations and communities. The Board would like to express their support to these regional communities and their projects.

Yours sincerely

The Rt Hon JD Anthony
Chair
NTN Board

2 August 2002



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EMAIL: ntn@mail@dcita.gov.au WEBSITE: www.dcita.gov.au/ntn.html

1. History of the Networking the Nation Program

The objective of the Networking the Nation (NTN) Program is to assist the economic and social development of rural Australia by funding projects which:

- enhance telecommunications infrastructure and services;
- increase access to, and promote use of, services available through telecommunications networks; and
- reduce disparities in access to such services and facilities.

The Program was allocated a total of \$250 million funding over five years beginning in 1997–98. The \$250 million has been apportioned so that the share each State receives is in direct relation to the proportion of that State's population that resides outside the State's capital city.

In 1999, the Government announced an increase of \$174 million in NTN funding from the Social Bonus resulting from the sale of a further 16 per cent of Telstra. Of this:

- \$70 million was allocated to the Building Additional Rural Networks (BARN) initiative to promote ongoing, sustainable improvements in regional telecommunications services;
- \$45 million was allocated to the Local Government Fund which will assist local government authorities in regional Australia to provide online access to information and services including the Internet;
- \$36 million was allocated to stimulate Internet service delivery in regional and rural Australia;
- \$20 million was allocated to improve telecommunications access for remote islands communities; and
- \$3 million was allocated for extended mobile telephone coverage —\$1 million each in Western Australia, South Australia and Tasmania.

A small administrative component deducted from the total allocations has been used for the support of the NTN Board and Secretariat.

Two of these funds (BARN and Local Government) have been subdivided into State/Territory allocations:

- BARN—\$10 million is being provided to each State, with a further \$10 million to be divided between the Territories.
- Local Government Fund—\$6 million is being provided to each State with \$3 million held in a national pool. An additional \$6 million will be divided between the Territories.

In the case of the Rural Internet Access Fund, arrangements have changed because a commercial offering from Telstra has delivered the outcomes the Fund was aiming to achieve. Consequently, in the 2001–02 Budget, the Government announced that it would reallocate funds to fund telecommunications and Internet initiatives as part of the Government's response to the Telecommunications Service Inquiry. A total of \$21 million was reallocated, \$6 million of the original funding was allocated to the Internet Assistance Program, a joint venture with Telstra to provide better quality and faster access to dial-up Internet services. In the 2002–03 Budget the unspent residual funds were declared as savings.

2. Administration of the program

2.1 The NTN Board

NTN funding decisions are made by an independent Board appointed by the Minister for Communications, Information Technology and the Arts. The Board is responsible for determining the activities and projects to be funded; the funding complies with the program guidelines, and falls within the overall State and Territory funding limits. The Minister is not involved in decisions on individual projects.

Board members are:

- The Rt Hon Doug Anthony (Chair)
- Professor Gerry Anderson, Adjunct Professor University of Ballarat in Information Technology and Business Applications
- Mrs Lindsay MacDonald, a Queensland wool grower and telecommunications activist
- Ms Johanna Plante, Chief Executive Officer of the Australian Communications Industry Forum Limited
- Ms Eleanor Scholz, manager of a regional South Australian telecentre

The Terms of Reference for the Board are at Annex A.

2.2 The NTN Secretariat

The NTN Secretariat is based within the Commonwealth Department of Communications, Information Technology and the Arts.

The Secretariat provides advice and guidance to applicants developing proposals, assists the Board by assessing applications, administers the deeds of agreement, monitors the progress of funded projects and provides guidance to project managers. Secretariat staff also promote the program and discuss with interested parties the aims and potential benefits of the program to their communities.

2.3 General processes

The NTN program operates under guidelines approved by the Minister for Communications, Information Technology and the Arts. In addition to the guidelines, the NTN Board has issued Fact Sheets describing its funding priorities, determined after the Board's consideration of the program guidelines and based on its experience with the program. Applicants are able to access full information about the Program online, including program guidelines and Fact Sheets.

In 2000, the Program introduced an online grants application and project management facility. This enabled applicants to complete a registration form, to have their eligibility confirmed by the Secretariat, and then proceed to submit their application all online via a unique identifier and

password. If applicants do not have Internet access, the Secretariat provides application forms and other material on floppy disk by request.

Applicants without access to a computer are provided with a hard copy application form and hard copies of other material. Enquiries about the program and application process can be directed to the NTN Secretariat on the toll-free telephone number, 1800 674 058 or emailed to ntn.mail@dcita.gov.au. The online facility is also used by the funding recipients for all Program administration.

2.4 State Advisory Groups/State contacts

Each State, the Northern Territory and the Australian Capital Territory has established an Advisory Group to assist the Board in its deliberations. These groups meet before each Board meeting and provide information and advice on applications in relation to State policies and priorities for telecommunications and information technology. The State Advisory Groups provide valuable advice to the Board, although final decision making rests with the Board.

In addition to the State Advisory Groups, each State, the Northern Territory and the Australian Capital Territory has a NTN Coordinator to provide a point of contact for applicants and prospective applicants within that State/Territory. All prospective applicants are urged to contact their respective State/Territory Coordinator to establish whether their project is consistent with the State Government telecommunications and information technology objectives and priorities. The Coordinator can also provide information regarding similar projects or place applicants in contact with other projects within a specific region.

2.5 Other sources of advice

Where necessary, technical and financial consultants are utilised to provide analysis of more complex applications. This analysis forms part of the Board's assessment.

Relevant Commonwealth Government departments and agencies are also regularly consulted by the Secretariat. They provide a source of advice on the merits of project applications, provisions of financial and technical advice and other sources of Commonwealth funding and expertise.

Assistance has been provided by the following agencies:

- Aboriginal and Torres Strait Island Commission (ATSIC)
- Attorney Generals Department (AGs)
- Australian Trade Commission (AUSTRADE)
- Department of Agriculture, Fisheries and Forestry – Australia (AFFA)
- Department of Education, Science and Training (DEST)
- Department of Family and Community Services (FACS)
- Department of Health and Aging (DHA)
- Department of Industry, Tourism and Resources (DITR)
- Department of Prime Minister and Cabinet (PM&C)
- Department of Transport and Regional Services (DOTRS)
- National Office for the Information Economy (NOIE)
- Torres Strait Regional Authority (TSRA)

The NTN Secretariat liaises with the Department of Transport and Regional Services (DOTRS) to avoid duplication with the Rural Transaction Centre (RTC) and Regional Solutions programs and to maximise opportunities for community projects to work together to achieve the most effective outcomes.

NTN provides DOTRS with a copy of all relevant applications for funding. DOTRS has the opportunity to comment on how or whether the proposed project would duplicate funded

or proposed projects (through either RTC or Regional Solutions) and to identify opportunities for projects to work together to achieve better outcomes for the community. Conversely, DOTRS provides all relevant applications for funding to allow NTN to comment on RTC and Regional Solutions applications.

2.6 Promoting the Program

The *New Connections* website (www.newconnections.gov.au) has been developed and coordinated by the Department of Communications, Information Technology and the Arts and is the Online Council's portal for regional communications information. (The Online Council is the peak ministerial forum across governments for consultation on and coordination of the information economy.) All State and Territory governments participate in the New Connections initiative. Networking the Nation and other government projects are available on the new connections website and information about new projects is being added on an ongoing basis. Projects are described in text and interactive maps are available via the site's Online Mapping facility.

3. Program outcomes

3.1 Expenditures

Eleven major funding rounds have been conducted to the end of June 2002. To date, the Board has approved 775 projects and provided approximately \$385 million in funding assistance for these projects.

Almost all the funds administered by the NTN Board have now been committed. The only program with significant funds remaining to be allocated is the Building Additional Rural Networks (BARN) with approximately \$35 million.

To date, a small number of projects have been concluded. The majority are still to be fully implemented. Nevertheless, the Program is already demonstrating that collaborative projects focusing on meeting the needs identified by regional people can produce very significant benefits for rural communities.

In addition to NTN Funds, regional communities, organisations, not-for-profit groups and local governments have provided funds either in cash or in-kind assistance to enable these projects to be implemented. The assistance provided by volunteers e.g. in acting as IT trainers, libraries and local governments providing project management expertise and community organisations prepared to accept the responsibility for implementing these projects, is enhancing the delivery of regional telecommunications.

Information identifying projects approved by the Board over the life of the program is available on the Departmental website at www.dcita.gov.au.

A number of NTN funded projects have received awards, some of which include:

- National Award for Innovation in Local Government: Coorong District Council, South Australia.
- Commercial Bravery Category—2001 Australian Financial Review Magazine’s Sponsorship Award – Burnett Inland Information and Technology Strategy (BIITS) project (Burnett Inland Economic Development Organisation) and Tarong Energy and Burnett.net.au, Queensland.
- Queensland Rural Women’s Network’s BridgIT Project was listed as one of 19 projects/ businesses out of 200 to represent Australia at the International Asia-Pacific Information Communications Technology Awards in Kuala Lumpur in September 2001.
- Central Highlands/Wimmera Region Online Project—Victorian Government 2002 Women in Online Technology—awarded to Carol Hillsdon for travelling trainer work teaching people how to use and benefit from the Internet.

There have been a number of NTN projects that have been presented as case studies at overseas telecommunications forums, such as the Albany GateWay Cooperative Limited which was the only geographically based community, regional web portal invited to present at the 5th International Virtual Communities Conference in Westminster London on the 17–18 June 2002. This project has generated a significant amount of interest from overseas forums.

3.2 General Fund

To date, a wide range of projects have been assisted via funding from the General Fund. The main funding areas have been:

(i) Mobile telephony projects

Following the 11th funding round (May 2002), NTN has allocated \$40.5 million to 109 mobile phone projects. Mobile phone coverage has been provided to many locations that have never before had such a service. Funding has been approved to allow a total of 222 base stations and 53 repeater stations to be installed.

The provision of these mobile telephony services has resulted in the establishment of networks and infrastructure that address major telecommunications needs, provide economic and social benefits to businesses, local communities and tourists, assist with traveller safety into the outback regions of Australia, and cater to the needs of emergency services.

(ii) Telecentres and public Internet access points

Across Australia NTN has funded over 1 600 telecentres and public Internet access facilities. These facilities allow people to access the Internet, for example, in stand-alone Internet terminals in libraries, Internet kiosks and telecentres. The break down by State and Territory is:

NSW	253
VIC	352
QLD	441
WA	201
SA	125
TAS	110
NT	158
Christmas Island	1

(iii) Videoconferencing

Through the NTN Program, many regional communities across Australia have recognised the real benefits and the difference that videoconferencing (VC) facilities can make to their business and personal lives. They have provided widespread benefits by significantly reducing the tyranny of distance, in areas such as time, money and personal safety. Many people in remote areas now can have instant access to educational, medical and legal services that were previously only easily accessible in the major population centres.

VC units have generally been placed in locations such as telecentres, which allow easy community access. All sectors of the community have been able to utilise these facilities including the business sector undertaking job interviews, doctors undertaking professional training, and children participating in distance learning and music lessons.

3.3 Local Government Fund

Local government bodies across Australia are actively pursuing the delivery of their services online under coordinated statewide strategies supported through the Local Government Fund.

Funded projects aim to extend and enhance services delivered by Councils to their communities and for Councils to realise productivity gains through online services delivery and resource sharing. The program is assisting Councils to make the transition to an online services environment by providing relevant business skills, technical tools and applications. Collaboration among Councils and compatibility of systems are priorities.

In practice, Council customers will be able to access information and services, make inquiries and pay accounts over the Internet from anywhere, any hour and any day. The Councils will be able to improve the level and range of services provided for their community in a cost effective manner.

3.4 Building Additional Rural Networks (BARN)

BARN is providing \$70 million in funding over five years to support the development of new networks, new network services and new products with an emphasis on the adoption of innovative solutions and leading edge technologies.

One of the Program's goals is to promote innovative solutions for service delivery and provide scope for new commercial entrants to offer services to regional Australia and thereby enhance competition in these areas. Experience with this approach has varied (and it is too early to judge its ultimate success or not). For example, funding has recently been provided for telecommunications infrastructure in the Coorong region of South Australia and this project is progressing positively. On the other hand, the 'Green Phone' project ended in failure as the entity was forced into liquidation in December 2001.

Other regional telcos supported via BARN are in their infancy including Southern Phone. This project will significantly reduce long distance telephone cost, for all residents in south east New South Wales and make broadband more accessible and affordable for larger users, such as the education and health sectors, with flow-on benefits across the region.

As a result of Green Phone failure, the NTN Board commissioned KPMG to review the NTN Secretariat processes. KPMG stated that nothing had come to their attention during the course of their review which would suggest that the NTN Secretariat were not acting in good faith in connection with the grant. However, KPMG considered that the NTN application and assessment processes as applied to Green Phone could have been improved through more robust project risk assessment, improving the value of the independent financial advice provided to the Secretariat, development of Funding Deeds specifically targeted to the purpose of the project and seriously re-examining the risks associated in providing the majority of funding up front. The Secretariat is implementing all the recommendations contained in the KPMG report.

3.5 Remote and Isolated Islands

The Remote and Isolated Islands Fund is governed by the *Telstra (Further Dilution of Public Ownership) Act 1999*. The Act requires these funds to be paid no later than 30 June 2003. Following the May 2002 Board meeting the funds have almost all been committed. Projects supported include mobile phone coverage for Thursday Island and Fraser Island, telehealth projects on Flinders and Barren Islands as well as in the Torres Strait Islands and projects to provide improved telecommunications throughout the Mornington Islands.

4. Activities during 2001–02

4.1 Board meetings

The dates of Board meetings or teleconferences convened during 2001–02 were as follows:

- 25–26 September 2001 (major funding meeting);
- 21 December 2001 (teleconference);
- 12 March 2002 (State/Territory Presentations);
- 13 March 2002 (out-of-session Board meeting); and
- 22–23 May 2002 (major funding meeting).

4.2 Board state visit and attendance at conferences

During the year the NTN Board members attended a number of project launches, regional conferences and other events including:

Central Queensland Local Government Managers Australia (CQLGMA) Annual Branch Conference. Blackall Cultural Centre, Blackall. Friday 1 March 2002.

Launch of the Stanthorpe Shire Council's new website (launched by Senator The Hon Ron Boswell) 18 April 2002—Speaker at the Stanthorpe Shire Council's NTN Forum 19 April 2002

Legal Aid Queensland's Women's Justice Network Site Coordinator's Workshop — Stanthorpe 18 April 2002

SA Community Telecentre Co-ordinators Conference, Adelaide
10 April 2002.

The NTN Board visited Far North Queensland from 26–31 August 2001. The Board travelled throughout the Cape York Peninsula and the Gulf Country to inspect a number of NTN funded projects (and proposed sites for projects) in Laura, Lockhart River, Weipa, Mornington Island and Burketown.

The Board met with representatives of the Outback Digital Network Balkanu project at Lockhart River to discuss the forthcoming rollout of the project throughout the Cape York Peninsula. This community also demonstrated the benefits being delivered through video-conferencing equipment installed at the Lockhart State School and how it assists indigenous children in boarding schools to maintain contact with their families.

The Chair of the Board, the Rt Hon Doug Anthony, launched the Remote Far North Queensland IT Access Project, a major initiative which provides local call Internet access, public Internet access facilities and training to ten remote communities throughout the region. During the visit the Board inspected equipment provided through this project at Laura, Burketown and Mornington Island and the public Access computers at Weipa Library.

While in Burketown, the Board visited an NTN funded videoconferencing site operated by Queensland Health through the Networking North Queensland project. They participated in a three-way videoconferencing link with Queensland Health (Townsville) and the NTN funded, Women's Justice Network (Kingsaroy), to hear about the health and legal services delivered through these networks and the benefits to rural and remote communities.

The Queensland NTN State Coordinator (Queensland State Government) accompanied the Board. The Board met with the Hon Paul Lucas, Minister for Innovation and the Information Economy, Queensland State Government, in Brisbane.

4.3 Board approvals

In 2001–02 the Board approved \$68 663 005 in funding for 153 projects and 39 variations to existing projects across Australia. A list of projects approved during 2001–02 is provided at **Annex B**; **Annex C** identifies applications and variations received, and funding approvals by State and Territory for 2001–02; **Annex D** summarises approvals for 2001–02 by fund and by State and Territory; **Annex E** provides information on expenditure by Fund and by State and Territory for 2001–02.

4.4 Major projects approved during 2001–02 financial year

PYCom (Pitjantjatjara Yankunytjatjara Communications)—\$2 093 631. This project is to provide a suite of telecommunications services for the communities and homelands of the Anangu Pitjantjatjara (AP) lands and surrounding regions, covering around 100 000 square kilometres across northern South Australia and southern Northern Territory. It will provide a comprehensive response to identified needs including public Internet access, Internet portal and websites, videoconferencing, training and mobile radio services.

The related I-Connect project will be developed by **Pitjantjatjara Yankunytjatjara Media (PY Media)** to assist with appropriate connections, capital and associated costs incurred to access telephone services in remote communities in southern Northern Territory, South Australia and the Ngaanyatjarra Lands in central west Western Australia.

Funding of \$10 762 642 has been provided to **Outback Digital Network** to provide robust high bandwidth capable services for 14 very remote communities in the Northern Territory, a telecentre and up to 384kbps video-conferencing for Beagle Bay, Bidiyadanga, Djarindjin and One Arm Point near Broome in Western Australia and videoconferencing for 23 Northern Territory communities, including Arnhem Land, Tiwi Islands, Jabiru and Groote Eylandt, to help overcome isolation and enhance access to online services.

The New South Wales Local Government and Shires Associations (LGSA) have been granted \$4.6 million under the New South Wales Local Government Fund to enhance the online delivery

of services and information by councils to their communities. The project will provide councils with the capacity to deliver online, ten high priority and 15 medium priority services as well as geo-spatial and e-procurement initiatives. The project builds on and includes some funding rollover from earlier NTN-funded projects managed by the LGSA.

The New South Wales Office of Information Technology was previously granted funding over \$1.3 million for a suite of initiatives to enhance the sustainability and service delivery capacity of existing telecentres throughout rural NSW. This funding will support the \$8.25 million already provided by NTN to establish the Community Technology Centre (CTC) program, for which there is matching State Government funding. Twenty-five new CTCs have already been approved out of a target of around 55. The latest NTN approval will provide existing as well as new centres, with videoconferencing capacity and support in delivering a range of tailored IT training in rural communities. Other service delivery opportunities will also continue to be opened up which build on the collaboration between the Federal and State Governments on these projects and which capture their full potential.

Gulf Connect—\$969 177. (Figure includes May 2002 top-up funding). This project is to establish locally based Community Technology Coordinators in Dajarra, Camooweal, Doomadgee, Mornington Island, Burketown, Karumba and Normanton. This will build the capacity within communities to provide much needed technical support and training. The Community Technology Coordinators will add value to existing infrastructure provided through previous NTN funding and help to counter the isolation of such communities from larger centres, especially during the wet season.

Island Watch (Lagaw Asmer) Project — \$5 457 307. Funding through the Remote and Isolated Islands Fund is to improve telecommunications to the 16 inhabited islands of the Torres Strait. The project has a number of elements including upgraded telephony and data services—cabling and handsets for existing and new residential buildings and ISDN infrastructure to the outer islands; Internet access through 26 public Internet access terminals; training; and videoconferencing services to all 16 islands.

Up to \$700,000 has been approved by the NTN Board to the **Central West Queensland Remote Area Planning and Development Board (RAPDB)** for the provision of 35 UHF repeaters in the Gulf country. The repeaters will provide mobile communications to people living and working in this extremely remote and sparsely populated area. They will be particularly important for bushfire and emergency situations. The funding will support the installation of repeaters at various locations in northwest Queensland, including Croydon, Carpentaria, Burke, Doomadgee, Cloncurry, McKinlay and Richmond shires. The project will also upgrade some existing UHF facilities from battery to solar powered systems.

A significant upgrade to telecommunications services for the **Mornington Island** community will be provided. Up to \$1 551 425 has been allocated to assist the Mornington Shire Council provide basic telephone services to approximately 200 houses. The funding will also support a mobile phone service to the town of Gununa and the surrounding region. The funding will also provide for new VHF repeater radio towers that will extend the existing two way radio service to the whole of Mornington Island and other islands to the south.

Telecentres for Eyre—\$374,000. This project is to establish four telecentres for the Eyre Peninsula in South Australia, covering the centres of Coffin Bay, Elliston, Cowell and Streaky Bay. The funding will provide equipment including PCs, printers, scanners and photocopiers, as well as training and management.

Local Government Electronic Services Program—\$4 472 000. The Local Government Fund is providing for the implementation of the Local Government Information Economy Strategy developed by the Local Government Association of South Australia. The project will deliver an online 'one-stop-shop' for the wider regional community in accessing local government services in South Australia. Components of the project include web interfaces for public access, e-procurement facilities, development of online support for council documents, public registers, tenders, community information, training and coordination across councils.

Furneaux Group Telecommunications Infrastructure—\$1 600 000. Funding from the Remote and Isolated Islands Fund is being provided for the Furneaux Enterprise Centre's 'Furneaux Group Telecommunications Infrastructure Strategy' project, which will see the establishment of a CDMA-based mobile telephone and wireless local loop service for Flinders Island. The project will also provide partial mobile phone coverage for nearby Cape Barren Island, also part of the Furneaux Group.

Mobile Telephone Extensions—\$1 232 500. New mobile telephone services will be established in regional Tasmania, covering the Central Highlands, Eaglehawk Neck and Marawah regions. This funding fully commits the Commonwealth's Social Bonus initiative of \$1 million to expand mobile phone coverage to regional centres in Tasmania.

Funding of \$2.03 million was approved to establish mobile telephone services throughout regional Tasmania in the **Dorset and Circular Head regions**, from Campbelltown to Swansea, and the towns of Warratah and Savage River.

Building Best Practice in E-Commerce Training—\$227 900. This project will develop and implement a statewide e-commerce training program designed around world best practice, for small and medium enterprises. The training aims to overcome barriers to the adoption of e-commerce by SMEs identified recently in the report *e-Barriers, e-Benefits, e-Business*.

The western Australia Telecentre Support Unit has received approval for funding of \$220 000 to establish five telecentres in Remote Indigenous Communities in Western Australia. This project will provide telecommunications infrastructure, enhanced access to services, and central support. This project will provide an opportunity for these communities, to access online government and banking services, email family members, have access to comprehensive up to date news and to follow their favourite sports. The telecentres will encourage the users to 'connect' with other communities.

dEadly mOb Internet Cafe—\$231,227.

This project will establish an Internet cafe at the Gap Youth Centre, Alice Springs. This will supplement the current services provided at the Centre, which include a range of mentoring and support services, education and career training services as well as other activities such as classes in cultural dancing for Aboriginal youth in the Alice Springs area. The project is providing computers and associated software and equipment, networking, project management and IT training.

Local Government Association of the Northern Territory (LGANT)—\$5 451 400 (and \$1 980 500 extension). Funding is being provided from the Local Government Fund for the provision of equipment and development of online systems to enable the Territory's 66 regional Municipal and Indigenous Community Councils to improve service delivery, including online business systems, online information and services and a common portal for the councils. The project represents the implementation of LGANT's online strategy for Municipal and Community Councils and encompasses all local government councils outside Darwin.

Cocos (Keeling) Islands Videoconferencing Service—\$272 000. Funding is being provided from the Remote and Isolated Islands Fund to assist the Cocos (Keeling) Islands Administration develop videoconferencing facilities. The videoconferencing services will provide the people of the Cocos (Keeling) Islands with better access to health and community services and help mitigate the significant disadvantages faced by residents and visitors to the Islands due to extreme isolation. The facilities will connect the West Island and Home Island of the Cocos (Keeling) Islands group as well as connect to Western Australia.

4.5 Consultancies

Over the year, a number of consultancies have been commissioned, to assist with various aspects of the program. Details of consultancies are outlined in Annexure F.

4.6 Promotion

During the year NTN was promoted through a range of events and activities including field visits by Board and Secretariat members, presentation to key conferences, media interviews and meetings with stakeholders. The fourth issue of the NTN Newsletter was circulated in December 2001. In addition, information kits containing fact sheets about the various aspects of the program were updated and distributed, the website (www.dcita.gov.au/ntn) was updated, funding decisions were announced, and the toll free 1800 number was available for people interested in the program.

5. Monitoring and review of the program

5.1 Purpose and scope

The purpose of the evaluation is to assess the contributions made by NTN to regional telecommunications infrastructure and services. The evaluation will involve:

- reporting and mapping of projects (where projects are located and what they have achieved);
- demonstrating the efficiency with which the program has been delivered, including audit reviews of projects;
- inventory of assets purchased with NTN funding eg number of mobile phone towers, computers, public Internet access facilities, videoconferencing facilities etc.;
- program impacts (how are projects delivering benefits/outcomes to regional communities to demonstrate social and economic improvements eg online learning opportunities, teleworking—case studies, focus groups etc.); and
- identifying program gaps and lessons learnt that will assist with future regional initiatives.

5.2 Management arrangements

The NTN Secretariat is seeking to undertake the evaluation with the assistance of a contractor, other areas of the Department, in particular the Communications Research Unit and the Regional Communications Policy Branch and to consult widely with rural communities and funding recipients.

5.3 Timing

The evaluation of NTN projects is ongoing, with all projects required to deliver progress and final reports under the terms of their contractual arrangements with the Department. These reports document information about project activities and performance outcomes. This information will be used for both ongoing project management and for evaluation purposes. In addition, the Departmental Auditors, KPMG have undertaken a number of reviews of projects to check recipient's financial compliance with the NTN Deed and this work is continuing.

An initial Evaluation Report of the NTN program by the contractors was published on the NTN website on 15 March 2002. A survey to ascertain the inventory of assets purchased with NTN funds was forwarded to all funding recipients in June 2001 and it is expected the compilation of the information surveys will be distributed by the end of October 2002. This inventory will include the number of mobile phone towers, computers, public Internet access facilities, videoconferencing facilities etc that have been purchased or delivered as a consequence of NTN funding. As the funds have largely been distributed, it is unlikely any new projects will be approved.

As major program elements are to be completed by 30 June 2003 and others by 30 June 2004, the reporting and analysis of program benefits will seek to document over the next two years the widespread improvements in infrastructure and access to telecommunications in regional Australia.

Annex A

Networking the Nation Board Terms of Reference

The NTN Board's primary role is to approve the allocation to projects of funds held in the Regional Telecommunications Infrastructure Fund in accordance with guidelines approved by the Minister. Once the Board has made its decision, the Department of Communications, Information Technology and the Arts will arrange for payments to applicants, subject to appropriate contractual arrangements.

The Board's decisions on the allocation of funds to projects will not require Ministerial endorsement.

The other roles of the Board are:

- to develop guidelines for the Minister's approval which set out the criteria against which projects will be assessed and selected for funding;
- consider submissions made to the Board by state and territory governments (at the invitation of the Minister) in determining a strategy for NTN funding for each state/territory;
- make recommendations to the Minister for Communications, Information Technology and the Arts on policy issues that may arise through the process of fund allocation;
- participate in the development, promotion and evaluation of the Fund; and
- present annual reports on the operations of the Fund (see below).

Responsibilities of the Board members

Members have a responsibility to:

- consider each project application on its own merits in accordance with the guidelines as assessed against the selection criteria and to be fair and unbiased; and
- identify where there may be a conflict of interest.

Accountability

Administration of the Fund will be subject to the normal processes of review of Departmental Estimates by the Senate Legislation Committee. The Fund will be audited by the Auditor-General. For each year of the Fund's five-year life the Board will present and the Minister will arrange for tabling in Parliament, an annual report on the operations of the Fund. The report will include financial statements prepared in accordance with guidelines issued by the Minister for Finance and audit reports by the Auditor-General.

The Board will be expected by the general public, applicants, Parliament and key stakeholders to provide a justification for its funding decisions. The Board will need to determine to what extent this information will be made publicly available while at the same time respecting commercial and applicant confidentiality. Documents would be subject to normal provisions relating to documents held in the Department of Communications, Information Technology and the Arts such as the Freedom of Information and Privacy Acts.

General

The Board will perform these functions in accordance with any guidelines, conflict of interest codes of conduct or meeting procedures in force from time-to-time.

Annex B

Projects approved by the NTN Board in 2001–02

Project Code	Applicant	Project	Location	Description	Funds
MST2001/141	Association of Northern Kimberley Arnhem Aboriginal Artists	Top End and Kimberley Aboriginal art centres and e-commerce	ANKAAA member art centres located in the Top End of Australia (the Kimberley, Western Australia; Tiwi Islands, Arnhem and Darwin/ Katherine regions)	Establish e-commerce websites, linked to a central portal, and provide training for ANKAAA's member. Also available to the broader community as a community access point.	\$596 940
MST2001/142	Isolated Children's Parents' Association of Australia Incorporated	ICPA (AUST) Inc Web Site Development Proposal	Dulacca, Queensland	Provide equipment, website enhancements and training to improve Association services to its clients.	\$50 000
MST2001/143	Pitjantjatjara Yankunytjatjara Media	PYCom (Pitjantjatjara Yankunytjatjara Communications)	Anangu Pitjantjatjara lands, WA, SA, NT and Q'ld	Provide a comprehensive response to identified needs including public internet access, video conferencing, training and mobile radio services.	\$2 093 631
MST2001/146	Australian Local Government Association	Local Government Standard Operability in Transactions	National	To develop an interoperability framework that will ensure the seamless delivery of services across local government and offer standardised interfaces to multiple tiers of government.	\$1 660 000
MST2001/148	Australian Local Government Association	National Information and Knowledge Management	National	To conduct a scoping study and develop a project plan and budget for the development of a framework for information and knowledge management within councils across Australia.	\$20 000
MST2001/154	Outback Telecentre Network Inc	Outback Telecentre Network III	SA towns of Marree, Yunta, Oodnadatta, Mintabie	Establishment of a telecentre in Marree which will provide the community with access to online services and information. The project also covers the provision of videoconferencing facilities into existing telecentres in Yunta, Oodnadatta and Mintabie.	\$166 000
MST2002/160	I-Connect	Pitjantjatjara Yankunytjatjara Media	Remote communities across WA, SA and NT	To assist bridge the affordability gap for obtaining residential telephone services in remote communities in southern Northern Territory, all regional South Australia and the Ngaanyatjar Lands in central west Western Australia.	\$1 229 147

Project Code	Applicant	Project	Location	Description	Funds
MST2002/161	Outback Digital Network	Outback Digital Network Ltd (ODN)	Remote WA and NT communities	Funding of \$10 762 642 has been provided to Outback Digital Network to provide robust high bandwidth capable services for 14 very remote communities in the Northern Territory, a telecentre and up to 384kbps video conferencing for Beagle Bay, Bidyadanga, Djarindjin and One Arm Point near Broome in WA and video conferencing for 23 NT communities, including Arnhem Land, Tiwi Islands, Jabiru and Groote Eylandt, to help overcome isolation and enhance access to online services.	\$10 762 642
NSW2001/348	Wollondilly Shire Council	Wollondilly Shire E-Council Kiosks	Wollondilly Shire	This project will install six electronic kiosks in various parts of Wollondilly shire, providing ready online access for isolated residents to services to be produced by the council	\$71 600
NSW2001/351	Tallaganda Shire Council	Tallaganda Telecommunications	Tallaganda Shire	This project will involve the conduct of a telecommunications strategy and business case exercise in the Tallaganda Shire, to attract enhanced telecommunications services to the area	\$30 000
NSW2001/328	Eurobodalla Shire Council	SE NSW Telecommunications Links Project	NSW South Coast, covering all towns across that area including the larger ones of Wollongong, Nowra, Ulladulla, Moruya, Bega, Eden and Queanbeyan	This project will tender for establishment of a new trunk telecommunications backbone for the NSW south coast, providing enhanced bandwidth and significant savings for all telecommunications users, either directly or indirectly through savings passed on by service providers also participating in the project	\$2 273 000
NT2001/070	Gap Youth Centre Aboriginal Corporation	dEadly mOb Internet Cafe	Alice Springs	To establish an Internet Cafe at the Gap Youth Centre.	\$231 227
NT2001/072	Local Govt Assoc of the Northern Territory (LGANT)	20/20 Connecting Communities	Across the Northern Territory	Provide public access to the internet, training, online content, video conferencing and support services in library or council premises.	\$375 000

Project Code	Applicant	Project	Location	Description	Funds
NT2001/073	LGANT	NT Connect	All local government councils outside Darwin	The provision of equipment and development of online systems to enable the Territory's 66 regional Municipal and Community Councils improve service delivery.	\$5 451 400
NT2002/077	LGANT	Regional Council Connections	Regional Northern Territory	This application seeks to extend the developing NT Local Government Network previously funded under NTN, for 40 municipal and community councils to 20 of the Community Councils which do not have online connection with the network.	\$1 980 500
QLD2001/318	AgForce Queensland	Handset subsidy for satellite mobile phones	Rural and remote Queensland, targeting south west, central west, north west, Gulf and Cape York regions of Queensland.	Funding is provided to allow for a subsidy for up to 30 satellite mobile phone handsets to users in remote south west, central west or northern Queensland.	\$34 500
QLD2001/326	Belyando Shire Council	Kilcummin, Mt McLaren Mobile Telephony Service	Kilcummin/Mt McLaren	Establishment of mobile phone services for the Kilcummin/Mt McLaren community.	\$100 000
QLD2001/328	Bendmere Shire Council	Wallumbilla Mobile Phones Project	Wallumbilla	Establishment of mobile phone services for Wallumbilla	\$140 000
QLD2001/330	Community Solutions Hervey Bay Association Inc	Bay Connect Maryborough	Maryborough, Aldershot and Tiaro	Funding is provided to expand the Bay Connect public internet access project in Hervey Bay to Maryborough and the towns of Tiaro and Aldershot.	\$296 520
QLD2001/332	Beechmont Community Association Inc.	Beechmont Advanced Communication Upgrade Project (B.A.C.U.P)	Beechmont (Beaudesert Shire)	Funding is provided to establish a community based Information Technology Centre at the Beechmont Old School site.	\$150 000
QLD2001/333	Wide Bay 2020 Regional Planning Advisory Committee	Widebay Tel	Wide Bay	Funding for the development of a detailed business case and technical requirements for improved telecommunication services in the Wide Bay region.	\$100 000
QLD2001/334	Queensland Police Citizens Youth Welfare Association-Mt ISA Branch	Mt Isa Youth-Link	Mount Isa	Funding is provided to incorporate public access facilities aimed at disadvantaged youth within the Mount Isa Police and Citizens Youth Club.	\$58 390

Project Code	Applicant	Project	Location	Description	Funds
QLD2001/335	Queensland Police Citizens Youth Welfare Association-Mareeba Branch	Mareeba Youth On-line	Mareeba	Funding is provided to incorporate public access facilities aimed at disadvantaged youth within the Mareeba Police and Citizens Youth Club	\$58 990
QLD2001/338	North Queensland Rural Health Training Unit	Gulf Connect	Dajarra, Camooweal, Doomadgee, Mornington Island, Burketown, Karumba, Normanton.	Funding is provided to build on the infrastructure platform already established in each of the communities by providing sustainable local technical support, increased flexible community access to the Internet and videoconferencing facilities as well as creating a knowledge base within the community.	\$667 500
QLD2001/343	GrowZone Development Network	GrowZone New Jobs Program #1	Provisionally ten locations - Tara, Wandoan, Taroom, Yuleba, Tambo, Quilpie, Thargomindah, Augathella, Surat and Cunnamulla	This project is to establish a network of trained personal computer and internet support officers throughout south-west Queensland	\$428 000
QLD2001/344	Kepnock State High School	KEPNET CCC	Bundaberg	Funding is provided to develop a business plan for a Community Communications Centre, with a focus on providing facilities for people with disabilities and other disadvantaged groups.	\$10 000
QLD2001/346	Palm Island Aboriginal Council	Palm Island Internet Centre and Web Site	Palm Island	Funding is provided to establish a public access facility and training for the Palm Island Community.	\$150 000
QLD2001/350	Eastern Downs Regional Applicant of Councils Inc.	EDROC Study	Eastern Downs region of Queensland, including the Shires of Millmerran, Pittsworth, Jondaryn, Warwick, Clifton, Cambooya, Roslie, Crows Nest, Gatton and the Toowoomba City Council.	Funding provided to prepare a business case to advocate a change in the information and communications technology infrastructure within the Darling Downs and south west region of Queensland.	\$50 000
QLD2001/351	Women's Health Queensland Wide Inc	Women Linking for Health	Spring Hill, Brisbane	Funding is provided for one videoconference unit, to be installed in the Women's Health Queensland Wide's Spring Hill premises.	\$14 300

Project Code	Applicant	Project	Location	Description	Funds
QLD2001/352	Mundubbera Community Development Association Inc.	Central Burnett Community Inter-prise Centre	Mundubbera and the surrounding shires of the Inland Burnett region, Queensland.	Funding is provided for a public Internet access centre which is equipped with adaptive technology as well as a mobile outreach service covering the surrounding Shires.	\$361 830
QLD2001/353	South Burnett Local Government Association Inc.	South Burnett Tele-Communication Frame-work	The Shires of Nanango, Rosalie, Kingaroy, Wondai, Murgon, Cherbourg Aboriginal Community and Kilkivan	Funding is provided to develop a telecommunications strategy and business case for improved telecommunications services in the South Burnett Region.	\$50 000
QLD2001/354	Murilla Shire Council	Dogwood Crossing @ Miles Internet and Computer Centre	Miles, Queensland	Funding is provided for a public access facility to be incorporated within the new Dogwood Crossing Centre.	\$64 189
QLD2001/355	Yarraman & District Historical Society Inc	Yarraman IMC Project	Yarraman (Rosalie Shire)	Funding for the employment of a project officer for the Yarraman Internet Coffee Lounge located in the Yarraman Heritage Centre	\$15 000
QLD2001/365	Queensland Government Department of Health	Island Watch (Lagaw Asmer) Project	All 16 inhabited islands of the Torres Strait	Funding is provided to improve telecommunications services to the Torres Strait region. The project has five elements, including upgraded telephony and data services, internet access, training and videoconferencing services.	\$5 457 307
QLD2002/375	Wide Bay Volunteer Resource Association Inc	Bay Connect Bundaberg	Bundaberg and surrounding areas	Funding is granted to establish a hub style network of public access centres to deliver training to the disadvantaged sector and geographically isolated.	\$250 000
QLD2002/415	Mapoon Aboriginal Council	Connecting Mapoon	Cape York Peninsula - 80km north west of Weipa	Public internet access facilities and training for the Mapoon community.	\$45 000
QLD2002/420	Cooloola Human Services Network	Cooloola Connect	Gympie and surrounding areas	To establish a network of 19 public internet access facilities within community agencies.	\$250 000
QLD2002/389	Eidsvold State School	Eidsvold Information and Enterprise Center	Eidsvold	The establishment of a public internet access centre including videoconferencing facilities.	\$120 750

Project Code	Applicant	Project	Location	Description	Funds
QLD2001/371	Barambah Aboriginal Community Care Agency Inc	Kingaroy site	Kingaroy	Funding is for a videoconferencing unit in Kingaroy and for public access and training to benefit the general public.	\$11 050
QLD2002/378	Burdekin Development Council Inc.	Mobile Telephony Service for Burdekin	Clare and Millaroo, Burdekin Shire	Establishment of CDMA Mobile Phone Service for Clare and Millaroo	\$144 682
QLD2002/372	Tara Shire council	Mobile Telephony for Chinchilla, Millmerran, Tara & Waggambaa	Shires of Tara, Chinchilla, Millmerran and Waggambaa	Provision of mobile phone coverage to fill existing gaps across the targeted area.	\$925 000
QLD2002/382	Fraser Island Association Inc	Mobile Telephony for Fraser Island	Fraser Island	Establishment of mobile telephony services for Fraser Island.	\$582 765
QLD2002/385	Mornington Shire Council	Mornington Network (Kanyamari Project)	Mornington Island and other islands in the Wellesley Group.	To assist bridge the affordability gap for obtaining residential fixed telephone services and establish a mobile phone service and build a community owned communications towers, which will extend the existing VHF radio network across Mornington and Bentinck Islands.	\$1 551 425
QLD2002/384	Townsville City Council	Neighbourhood Mobilenet	Alligator Creek, Corcoran Park, Cungulla, Cutheringa Park, Garbutt, Heatley, Oak Valley, Pallarenda Park, Woodstock, Wulguru.	The provision of access to Internet training for clients through a mobile library service operated through the Townsville City Council.	\$81 116
QLD2002/401	Central Western Queensland Remote Area Planning and Development Board	North Western Queensland UHF Radio Augmentation	The UHF coverage will be provided around Richmond in the east across to the NT Queensland border and up to Dunbar in the Cape to just below the Flinders Highway in the south.	Funding is sought to install 35 new UHF repeaters at various locations in northwest Queensland region, including the Croydon, Carpentaria, Burke, Doomadgee, Cloncurry, McKinlay and Richmond shires. The project will also upgrade some existing UHF facilities from battery to solar powered systems.	\$700 000

Project Code	Applicant	Project	Location	Description	Funds
QLD2002/386	Townsville City Council	Older Persons Net	Townsville	Funding is sought to provide computers and internet access to seniors located in their own homes and in community care facilities in Townsville. It will also provide funds to train volunteers to give computer training to seniors. Volunteers will be co-ordinated by the University of the Third Age.	\$52 500
QLD2002/381	Balkanu, Cape York Dev Corp	Outstation telephones	Cape York	To assist bridge the affordability gap for obtaining residential telephone services by meeting network extension charges for 130 outstations, extending a previously funded NTN project.	\$200 200
QLD2002/394	Legal Aid Queensland	Prison Visits via Videoconferencing Program	Correctional centres in or around Brisbane/Gold Coast, Darling Downs, Cairns, Townsville and Rockhampton	A program to enable families located in rural and remote areas of Queensland to access detainees in correctional centres via videoconferencing.	\$367 399
QLD2002/392	Local Government Association of Queensland Inc.	Queensland Local Government – Connecting Community Councils	Various locations throughout Queensland and Torres Strait Islands	To support Indigenous Community Councils throughout Queensland to develop online service capabilities for their communities.	\$2 240 000
QLD2002/424	Lockhart State School	Reach In - Reach Out - Phase 2	Lockhart River, Pormpuraaw, Herberton and Cairns	Funding to link Lockhart River School with three other schools in the Cape York region.	\$80 000
QLD2001/366	SeniorNet Australia Association Incorporated	SeniorNet Australia - Seniors helping seniors with I.T. & the Internet	QLD wide	The SeniorNet project will provide specialised training materials and assistance to enable senior groups interested in online communication to develop in regional and remote QLD.	\$87 000
QLD2002/390	Queensland Health	<i>VideoAccess@qld</i>	rural and remote locations across QLD	This project will upgrade Q'ld Health Department videoconferencing network through the purchase of new video conferencing equipment and software.	\$1 000 000
QLD2002/417	Yarrabah Community Council	Yarrabah –Australian Indigenous Cultural Network	Yarrabah indigenous community, near Cairns, Queensland	Funding to provide a public internet access facility in Yarrabah. The facility will be used to provide internet and online training to the mostly indigenous community in the area.	\$150 000

Project Code	Applicant	Project	Location	Description	Funds
SA2001/231	Morgan Telecentre	Morgan Community Development & Tourism Association Inc	Morgan, South Australia	Funding is provided to establish a Telecentre in Morgan, which will provide the community with access to online services and information.	\$112 100
SA2001/235	Eyre Regional Development Board	Telecentres for Eyre	Coffin Bay, Elliston, Cowell and Streaky Bay.	Establishment of four Telecentres in the towns of Coffin Bay, Elliston, Cowell and Streaky Bay, which will provide these communities with access to online services and information.	\$374 000
SA2001/238	Local Government Association of South Australia	Local Government Electronic Services Program	Regional SA	Implementation of the Local Government Information Economy Strategy to deliver an online 'one stop shop' for Regional Local Government Services.	\$4 472 000
SA2001/242	Central Local Government Region	Central Local Government Region of SA Telecommunications Initiative Investigation	Central, Yorke Peninsula and Eyre Peninsula regions in South Australia.	Development of a body of technical specifications and research information for the purpose of tendering for the provision of alternative telecommunications network infrastructure for the Central, Yorke Peninsula and Eyre Peninsula regions in South Australia.	\$60 000
SA2002/257	Pitjantjatjara Council	Ara Irititja Archive Online Access Project: Stage 3	Watarru, Indulkana, and Kenmore	Provision of three mobile workstations for the Indigenous communities of Watarru, Indulkana, and Kenmore to enable residents to access the Ara Irititja database.	\$188 000
SA2002/254	Burra Community Development Program Inc	Burra Telecentre and Internet Cafe	Burra, SA	To establish a Telecentre in Burra.	\$132 369
SA2002/260	Clare and Gilbert Shire Council	Clare Youth at the Centre	Clare, SA	To establish a public Internet access facility in Clare.	\$111 500
SA2002/255	Naracoorte Lucindale Council	Frances & Caves Mobile Phone Coverage	Naracoorte Caves and Frances	Installation of two CDMA mobile telephone base stations	\$262 000
SA2002/259	Mid North Regional Development Board	Mintaro/Booborowie Mobile Phone Coverage	Mintaro and Booborowie	Installation of two CDMA mobile telephone base stations	\$242 000
SA2001/250	SA Department of Human Services	Murray Bridge Community Communications Centre	Murray Bridge	Establishment of a Community Access Centre	\$130 000

Project Code	Applicant	Project	Location	Description	Funds
SA2002/252	Riverland Domestic Violence Unit Inc.	Phoenix Network	Riverland Region	Establishment of a PC-based Videoconferencing Network to enable victims of domestic violence to seek counselling and obtain information	\$55 000
SA2001/249	Two Wells and Environs Strategic Planning Committee	Two Wells Internet Cafe and Web Presence	Two Wells, SA	To establish a public internet access facility in Two Wells	\$63 000
SA2002/261	Tumby Bay Community Development Board Incorporated	Upgrade of Tumby Bay Telecentre Infrastructure	Tumby Bay, SA	Upgrade of Tumby Bay Telecentre	\$60 000
SA2002/253	Scotdesco Incorporated	Wangka Wilurrara Online	Yalata, Oak Valley (Maralinga), Koonibba, Scotdesco Homeland, Tia Tuckia, Port Lincoln, and Ceduna	Provision of Internet access to remote indigenous communities in the Far West Region of SA	\$151 000
SA2000/187	District Council of Yorke Peninsula	Yorke Peninsula Community Connect	Maitland, South Australia	To fund a public internet access facility in Maitland	\$138 444
TAS2001/288	Bicheno Online Access Centre	Upgrade of equipment & software for Bicheno OAC	Bicheno, Tasmania	Upgrade existing NTN funded telecentre	\$26 335
TAS2001/292	Cygnnet Community Online Centre	Cygnnet Community Online Centre	Cygnnet	To establish a Community Access Centre	\$98 822
TAS2001/293	Circular Head Council	Extension of mobile phone coverage - Marawah area	Marawah area of Circular Head	This project involves provision of digital mobile phone coverage in the Marawah area	\$512 500
TAS2001/294	Eaglehawk Neck Community Hall Assoc Inc	Eaglehawk Neck and surrounding areas mobile phone service implementation	Eaglehawk Neck, Taranna, Koonya, Murdunna, Premaydena, Saltwater River and surrounding waterways.	This project involves provision of digital mobile phone coverage in the Tasman Peninsula area	\$285 000
TAS2001/296	Central Highlands Council	Mobile phone coverage for major tourism areas of the Central Highlands	Miena, Bothwell and Bronte Park in the Central Highlands region	This project involves provision of digital mobile phone coverage in parts of the Central Highlands region	\$435 000
TAS2001/297	Cape Barren Island Aboriginal Association Inc.	Online Access Centre	Cape Barren Island (in Bass Strait)	Funding will establish a public internet access centre and meet initial operating expenses.	\$87 344
TAS2001/298	Furneaux Enterprise Centre	Furneaux Group Telecommunications Infrastructure Strategy	Furneaux Islands Group	The project will establish a CDMA-based mobile telephony and wireless local loop service for Flinders Island with extended mobile phone coverage to Cape Barren Island.	\$1 600 000

Project Code	Applicant	Project	Location	Description	Funds
TAS2001/299	Colebrook Online Access Centre	Colebrook OAC Equipment Upgrade and Training Scheme	Colebrook	Upgrade existing NTN funded telecentre.	\$27 885
TAS2001/300	Wilmot Online Access Centre	Equipment Upgrade for Wilmot Online Access Centre	Wilmot OAC	Upgrade existing NTN funded telecentre	\$15 390
TAS2001/301	Burnie Online Access Centre	Repair/Replacement of outdated computers	Burnie	Upgrade existing NTN funded telecentre.	\$1 200
TAS2001/302	Longford Online Access Centre Inc	Longford Online Access Centre	Longford	Upgrade equipment for existing NTN funded telecentre.	\$18 645
TAS2001/303	Geeveston Online Inc (Geeveston Online Access Centre)	Hardware and Software Upgrade 2001	Geeveston in the Huon Valley, Tasmania	To provide training and to upgrade existing NTN funded telecentre.	\$8 800
TAS2001/304	Rosebery Community Council Inc	Replacement and Upgrade of Equipment for Rosebery Online Access Centre	Rosebery on the West Coast of Tasmania	Upgrade existing NTN funded telecentre.	\$13 255
TAS2001/306	Forth Valley On Line Access Centre Inc.	Forth Valley On Line Access Centre Inc.	Forth	Upgrade existing NTN funded telecentre.	\$19 185
TAS2001/307	Fingal Valley Neighbourhood House Inc.	Fingal Online Technology Upgrade	The Fingal Valley in NE Tasmania	Upgrade the existing NTN funded telecentre.	\$8 805
TAS2001/311	Flinders Island Online Access Centre	Training and Development in the use of latest information technologies and software	Flinders Island	Training for existing NTN funded telecentre	\$9 700
TAS2001/312	Flinders Island Online Access Centre	Upgrade of Equipment	Whitemark, Flinders Island	Upgrade and Enhancement of Equipment and Services offered by the Flinders Island OnLine Access Centre	\$18 671
TAS2001/313	St. Marys Association for Community Development	Full Service Centre Equipment & Mobile Van Refit	St Marys	Computer equipment for existing NTN funded telecentre.	\$4 000
TAS2001/314	Woodbridge Online Access Centre	Inaugural Equipment Upgrade (Woodbridge OAC)	Woodbridge	Upgrade existing NTN funded telecentre.	\$9 595
TAS2001/316	Lilydale Online Inc	Equipment Upgrade for Lilydale Online Access Centre	Lilydale	Upgrade existing NTN funded telecentre	\$13 090
TAS2001/318	Maydena Online Access Centre	Maydena Online Access Centre	Maydena	Upgrade existing NTN funded telecentre	\$16 111
TAS2001/320	eServices Group	Service Tasmania Shop at Wynyard	Wynyard	This project will establish a Service Tasmania 'shop' in Wynyard	\$75 000

Project Code	Applicant	Project	Location	Description	Funds
TAS2001/326	Local Government Association of Tasmania	Local Laws Online II	State Wide	This project will allow the Local Government Association of Tasmania to produce and disseminate a series of online templates to enhance access to and use of local council policies and guidelines	\$100 000
TAS2001/328	Burnie City Council	Expanded IT Resource Sharing - Existing Councils	North-west Tasmania	To extend the current NTN-funded IT Resource Sharing project to allow the West Coast and Circular Head Councils to access the Burnie City Council network and high data speed telecommunication links.	\$180 000
TAS2001/329	King Island Regional Development Applicant	King Island Online Access Centre Upgrade	King Island	Upgrade the existing NTN funded telecentre.	\$10 500
TAS2001/330	Huonville Online Access Centre	Equipment Upgrade for Huonville Online Access Centre	Huonville	Upgrade the existing NTN funded telecentre.	\$9 475
TAS2001/331	Department of Health and Human Services	Campbell Town Telehealth	Campbell Town	This project will establish telehealth facilities in Campbell Town, providing videoconferencing and access to a range of specialised health services not locally available.	\$119 000
TAS2001/334	The Channel Enterprise Inc.	Enhancing Online Access Centres II	Huon and Kingborough	This project will conduct a program to stimulate and support the increased take-up of e-commerce in the Huon and Kingborough area, involving NTN funded Online Access Centres.	\$71 000
TAS2001/336	Bothwell Online Access Centre Inc	Bothwell Replacement/ upgrade of existing equipment and additional equipment	Bothwell	Upgrade existing NTN funded telecentre	\$8 800
TAS2001/343	Strahan Online Access Centre	Upgrade of the technology of the Strahan Online Access Centre	Strahan	Upgrade existing NTN funded telecentre	\$26 190
TAS2002/372	Northern Midlands Council	Achieving mobile phone coverage: Campbell Town to Swansea	Along Lake Leake Road between Campbell Town and Swansea	This project involves provision of digital mobile phone coverage between Campbell Town and Swansea.	\$177 500
TAS2002/349	Burnie City Council	Burnie OAC Server Upgrade	Burnie	Replace the server at an existing NTN funded Telecentre.	\$15 000
TAS2002/351	Campbell Town District High School Parents and Friends Association Inc	Campbell Town OAC Equipment upgrade	Campbell Town	Upgrade existing NTN funded telecentre.	\$11 400

Project Code	Applicant	Project	Location	Description	Funds
TAS2002/352	Derwent Valley Online Inc.	Derwent Valley Online Access Centre Upgrade	Derwent Valley	Upgrade of an existing NTN funded Telecentre	\$8 224
TAS2002/359	Devonport Online Computer Upgrade	Devonport Online Computer Upgrade	Devonport	Upgrade existing NTN funded Telecentre	\$49 565
TAS2002/366	Dorset Council	Dorset Mobile Telephony	Scottsdale to Bridport, Scottsdale to Lilydale, Ansons's Bay to Cape Portland, in the Dorset municipality.	This project involves provision of digital mobile phone coverage to parts of the Dorset municipality.	\$995 000
TAS2002/369	Edith Creek Online Access Centre Inc.	Edith Creek Online Access Centre Upgrade	Edith Creek, Tasmania	Upgrade of an existing NTN funded Telecentre	\$11 000
TAS2002/360	Geeveston Online Inc (Geeveston Online Access Centre)	Equipment Update 2002 Geeveston OAC	Geeveston	Upgrade existing NTN funded telecentre.	\$14 850
TAS2002/345	Penguin Online Access Centre	Equipment Upgrade for Penguin Online Access Centre	Penguin	Upgrade existing NTN funded telecentre.	\$11 300
TAS2002/379	Circular Head Council	Extension of mobile phone coverage for Edith Creek, Trowutta, Togari, Montagu and Roger River areas.	Areas between Edith Creek, Trowutta, Togari, Montagu and Roger River.	This project involves the provision of digital mobile phone coverage in areas covered by the Circular Head Council.	\$420 000
TAS2002/368	Dover Community Telecentre Inc	Far South Onsite Online Publishing Project	Dover	Upgrade existing NTN funded telecentre.	\$1 742
TAS2002/363	Deloraine Online Access Centre nc	Full Service: Meeting the need (Deloraine OAC)	Deloraine	Upgrade existing NTN funded telecentre.	\$20 950
TAS2002/371	Latrobe Vision Inc (Latrobe Online Access Centre)	Latrobe OAC Equipment Upgrade - 2	Latrobe	Upgrade existing NTN funded Telecentre	\$14 740
TAS2002/373	Margate Online Association Inc.	Margate Online Access Centre Continuing IT in 2002-3.	Margate	Upgrade existing NTN funded Telecentre.	\$6 050
TAS2002/364	Ridgley Online Access Centre (Ridgley Primary School Council Inc)	New Equipment for Ridgley Online Access Centre	Ridgley	Upgrade existing NTN funded Telecentre.	\$18 060
TAS2002/354	Online Access Centre Association of Tasmania	OACAT - Enhancing & promoting Online Access Centres	Statewide	Funding will be used to continue and expand OACAT's activities towards ensuring the long term sustainability of Tasmania's telecentres.	\$147 250
TAS2002/348	St.Marys Association for Community Development	OHS & Service Extension Equipment (St Marys OAC)	St Marys	Upgrade existing NTN funded telecentre.	\$14 100
TAS2002/362	Ouse Online Community Access Centre Inc	Ouse OCAC- Upgrade	Ouse	Upgrade existing NTN funded Online Access Centre.	\$15 650

Project Code	Applicant	Project	Location	Description	Funds
TAS2002/357	Tasmanian West Coast Business Development Inc	Overcoming the Tyranny of Distance (Zeehan OAC)	Zeehan	Upgrade existing NTN funded telecentre.	\$19 856
TAS2002/358	Redpa Online Access Centre Upgrade	Redpa Online Access Centre Upgrade	Redpa	Upgrade of an existing NTN funded Telecentre	\$14 050
TAS2002/367	Launceston Online Inc	Refurbishment of outdated equipment (Launceston OAC)	Launceston	Upgrade an existing NTN funded Telecentre	\$29 800
TAS2002/376	Tasmanian Chamber of Commerce & Industry	Regional E-Commerce Assistance Program	Statewide	To raise the awareness of the Tasmania's micro business sector to the benefits of e-commerce, and to provide an incentive scheme for this sector to takeup Information Communication Technology.	\$137 294
TAS2002/355	Burnie City Council	Remodel the centre (Burnie OAC)	Burnie	Upgrade of an existing NTN funded Telecentre.	\$13 500
TAS2002/347	Wynyard Online Access Centre Inc	Replacement/ Acquisition of Equipment and Training (Wynyard OAC)	Wynyard, Tasmania	Upgrade existing NTN funded telecentre	\$23 340
TAS2002/356	Dorset eCentreInc	Scottsdale OAC – equipment update /Staff & Community Training	Scottsdale	Upgrade existing NTN funded telecentre.	\$27 840
TAS2002/346	Central Coast Council	Ulverstone Online – Into the Future	Ulverstone	Upgrade of an existing NTN funded Telecentre	\$6 000
TAS2002/370	Tullah Progress Association Inc.	Upgrade of Facilities, Tullah Online Access Centre	Tullah	Upgrade of an existing NTN funded Telecentre	\$13 750
TAS2002/377	George Town On-line Inc	Upgrade of Technology Equipment for George Town OAC	George Town	Upgrade existing NTN funded Telecentre	\$22 320
TAS2002/374	Waratah-Wynyard Council	Waratah Savage River Mobile Coverage	The towns of Waratah and Savage River including the Waratah Road between Fingerpost and the Muchison Highway and Corinna on the Pieman River	This project involves provision of digital mobile phone coverage Waratah and Savage River in the West Coast of Tasmania	\$437 500
TAS2002/365	Dorset eCentre nc	Winnaleah, Derby and Ringarooma Online Access Centres Upgrade	Winnaleah, Derby and Ringarooma	Upgrade of existing NTN funded Telecentres	\$22 000
TAS2002/375	Bothwell Online Access Centre Inc	Equipment upgrade and OH&S requirements (Bothwell OAC)	Bothwell	Upgrade of an existing NTN funded Telecentre.	\$3 872

Project Code	Applicant	Project	Location	Description	Funds
VIC2001/260	Murrindindi Shire Council	Flowerdale Mobile Telephone Coverage	Flowerdale and its immediate surrounds within the Murrindindi Shire	This project involves provision of digital mobile phone coverage in the Flowerdale area	\$190 000
VIC2001/266	Delatite Shire Council	Jamieson Mobile Telephone Service	Jamieson area in the southern part of the Delatite Shire	This project involves provision of digital mobile phone coverage in the Jamieson area	\$200 000
VIC2001/267	Kerang Baptist Church	PowerHouse Internet Cafe	Kerang in North-west Victoria	The aim of the project is to establish a public internet access facility within the PowerHouse Youth Centre in Kerang.	\$28 000
VIC2001/271	Central Gippsland Institute of TAFE	Cyber Cafe	Warragul, Gippsland	Establish a cyber cafe in central Warragul to provide public access to the Internet, focussed particularly on people over 45 years, retirees, women on farms, disability groups and general tourism.	\$175 000
VIC2001/273	Mildura Rural City Council	Mallee Highway Mobile Telephone Coverage	The Mallee Highway, between Ouyen and Murrayville	This project involves provision of digital mobile phone coverage along an unserved area of the Mallee Highway between Ouyen and Murrayville.	\$540 000
VIC2001/279	Toolamba Community Group	Toolamba Mobile Telephone Coverage	Toolamba and surrounding areas	This project involves provision of digital mobile phone coverage in the Toolamba area.	\$165 000
VIC2001/282	Bungyarnda CDEP Co-Operative Limited & Lake Tyers Aboriginal Trust	IT for LTAT	Lake Tyers, east Gippsland	This funding is for computers and associated technical support for a public internet access centre to be established in the new training centre to be built on the Trust's land in East Gippsland.	\$65 000
VIC2001/283	Skills.net Association Co-op Ltd	Building Best Practice in E-Commerce Training	Statewide, Victoria	This project will develop and implement a Statewide e-commerce training program for SMEs that is designed around World's Best Practice.	\$227 900
VIC2001/284	Victorian Association of Youth in Communities	Networking the Clubs	Apollo Bay, Bellarine, Belmont, Koorong Vale, Licola, Wollert, Yarrowalla	Two computers and associated equipment will be provided and connected to the Internet in three youth clubs in rural communities where there is no alternate public access to the Internet. The facilities will be made available to the public.	\$40 000
VIC2002/294	East Gippsland A.C.D.E.P.	Indigenous Information Technology Centre	Bairnsdale	Establish and operate an Indigenous orientated Internet public internet access site in Bairnsdale, Gippsland.	\$50 000

Project Code	Applicant	Project	Location	Description	Funds
VIC2002/295	Mitiamo Progress Association	Mobile CDMA Phone Base Station at Prairie	Mitiamo, Dingee, Calivil, East Loddon, Milloo and Prairie in Central Victoria	To establish a CDMA mobile telephone service to the district.	\$175 000
VIC2002/292	Warburton and District Chamber of Commerce and Industry Inc.	Warburton Online	Warburton	Establish and operate a public Internet access site in Warburton, in the Yarra Ranges N-E of Melbourne.	\$55 000
VIC2002/298	Continuing Education Centre	Wodonga Community Education Centre IT	Wodonga	Upgrade 20 computer screens in an Internet public access site in Wodonga as well as upgrading desks, tables, bench space, chairs and training materials.	\$14 285
WA2001/145	Albany GateWAY Cooperative Ltd.	Albany GateWAY: E-GateWAY The next phase	Great Southern Region of WA	To provide further training and assistance, an online presence and e-commerce options to the Albany GateWAY for the region's community and businesses.	\$100 000
WA2001/146	Denmark Telecentre Inc	Denmark Telecentre Training Project	Shire of Denmark located in the Great Southern region of Western Australia.	To provide training for technical support services for the internet to the Denmark Community.	\$25 000
WA2001/149	Ngaanyatjarra Council (Aboriginal Corporation)	Virtual Private Network for the Ngaanyatjarra Lands	Ngaanyatjarra Lands, central west WA	Acquire and install equipment and establish a network connecting Ngaanyatjarra Council sites.	\$429 434
WA2001/150	The Bunbury Chamber of Commerce & Industries Inc	mysouthwest internet portal	The South West Region in WA	To provide further training and assistance, an online presence and e-commerce options to the 'mysouthwest' portal for the region's community and businesses.	\$90 000
WA2002/162	Kimberley Law and Aboriginal Cultural Centre	Australian Indigenous Cultural Network	Fitzroy Crossing	To establish a public internet access facility and to provide equipment and training for the community of Fitzroy Crossing and surrounds.	\$80 000
WA2002/158	WA Telecentre Support Unit	Telecentres in remote Indigenous Communities in Western Australia	Five remote communities in Western Australia	To establish five model telecentres based in remote Indigenous communities and to develop a more flexible and workable telecentre model that address the unique characteristics of these communities.	\$220 000

Project Code	Applicant	Project	Location	Description	Funds
WA2002/163	Ngaanyatjarra Council (Aboriginal Corporation)	Ngaanyatjarra Council Telecentres	Ngaanyatjarra Lands in the Gibson and Great Victoria Deserts	This proposal will provide the indigenous people in the Ngaanyatjarra Lands with internet connected PC's, awareness raising and training to enable them to get online. The lands are home to some 2432 people across 18 585 000 hectares (almost the size of NSW).	\$220 000
EXT2001/023	Dot CX Limited	Christmas Island Information Economy Dev	Christmas Island	To purchase equipment to improve the IT, employment / training opportunities for local residents.	\$212 150
EXT2001/022	The Government of Norfolk Island	Norfolk Island Mobile Telephone System	Norfolk Island	To provide a mobile telephone service on Norfolk Island.	\$1 090 300
EXT2001/024	Cocos (Keeling) Islands Administration	Cocos (Keeling) Islands Videoconferencing Service	Cocos (Keeling) Islands	To provide a video conferencing service for Cocos (Keeling) Islands.	\$272 000
152 PROJECTS FUNDED IN 2001-02				TOTAL PROJECT FUNDING COMMITTED IN 2001-02	\$61 804 783

Variations approved 2001–02

Project Code	Title	Project Description	Amount
Sep 01 SA1998/055	Yorke town Regional Telecentre	Additional funding for the Telecentre in Yorketown to cover provision of a regional IT Development Coordinator to promote the uptake of IT on the Southern Yorke Peninsula. The centre provides community access to the internet, online learning, and acts as a youth and community centre, business resource centre, training facility and centre for IT equipment and excellence in Yorketown.	\$50 140
TAS1999/090	Technical Assistance Online Project	Change of use of funds for previously approved project	\$0
TAS2000/113	Integrated Community Network Project – North West Tasmania	Top-up funding to include Waratah-Wynyard Council into the existing NTN-funded Integrated Community Network Project being undertaken by Burnie City Council	\$60 000
TAS2000/136	Telemedicine Service – Clarke and Cape Barren Islands	Top-up funding to assess telecommunications solutions for the existing NTN-funded Telemedicine Service	\$30 000
VIC1999/133	CYBERBUS – A Rural Internet Mentoring Program	Top-up funding for the Moira Shire Cyberbus to establish a satellite connection for the bus and to provide increased hours for the mentor to better meet demand for public access to the Internet in the region	\$54 100
VIC2001/262	City of Greater Bendigo	Connecting Central Victoria	\$60 000
VIC2000/141	Regional Connectivity Project	Top-up funding to provide administrative support for the Regional Connectivity project co-ordinator to establish seventeen Community Enterprise Centres across central western Victoria	\$40 000
VIC2001/240	Seymour Youth Café	Top-up funding will allow the recruitment of skilled staff to oversight and assist the public at the new internet access centre being established in Seymour	\$68 000
VIC2000/215	Connecting the Upper Kiewa Valley	Top-up funding will allow for the Mount Beauty Neighbourhood Centre to complete the telecentre project as planned	\$18 984
QLD1998/91	Burnett Inland IT Strategy (BIITS)	Top-up funding to extend the existing trainer/technical officer position for 14 months	\$100 000
QLD1998/135	Surat Community Access IT Training Centre	Top-up funding for the provision of additional salary and computer equipment for the Surat Internet Access Centre	\$28 000
QLD1999/159	GraniteNet	Top-up funding to extend the GraniteNet project officer position for 12 months and community training and training resources (equipment)	\$68 000
QLD1999/170	Innisfail Internet Café	Top-up funding for disability computer access equipment	\$10 000
QLD1999/178	Chinchilla Internet Café	Top-up funding to provide additional operating costs for the Chinchilla Technology Centre Project	\$96 250
QLD2001/346	Palm Island Internet Centre & Website	Change of Use of Funds for a previously approved project	\$0
WA2000/091	Geraldton Fisherman's Cooperative Ltd	Mobile Telephony to the Shire of Northampton and the Abrolhos Islands project	\$69 500
May 02 QLD1998/51	Hervey Bay City Council	Top-up funding for the provision of additional training and adaptive resources for the Bay Connect Project	\$52 863
QLD1998/64	Telemedicine for North and Western Queensland	Top-up funding for the implementation of a new training program through the establishment of a 'Virtual Training Network'.	\$312 612
QLD1998/78	Capricornia Connect Indigenous Community Access	Top-up funding to enable the continuation of the existing 'Capricornia Connect' project, which is providing internet and IT training to 15 indigenous community organisations throughout central and northern Queensland	\$165 188
QLD1999/170	Innisfail Internet Café	Top-up funding to support the operations of the Innisfail Flexi Cyber Café for an additional 12 months	\$71 700

Project Code	Title	Project Description	Amount
QLD2000/265	Central West Queensland Regional IT Training and Associated Activities	Top-up funding for the continuation of the existing training initiative in the 11 targeted shires in central western Queensland for a second 12 month period	\$562 000
QLD2001/288	BridgIT2	Top-up funding for costs associated with establishing the BridgIT Help Desk	\$30 000
QLD2001/298	South Burnett Online Centre	To provide top-up funding to the South Burnett Community Training Centre for networking equipment	\$46 120
QLD2001/330	Bay Connect Maryborough	Top-up funding for an extension of the Bay Connect Maryborough project to the Tiara Shire through the establishment of a public internet access facility and training	\$80 000
QLD2001/333	Widebay Tel	Top-up funding to assist development of appropriate legal/institutional structures with a network partner with a view to delivering enhanced telecommunications services to the Wide Bay Region	\$50 000
QLD2001/338	Gulf Connect	Top-up funding for the provision of additional salary and operational costs to implement the Gulf Connect project	\$291 677
QLD2001/354	Dogwood Crossing @ Miles Internet and Computer Centre	Top-up funding to establish a training program and purchase of adaptive technology for the planned public access facility	\$29 275
NSW2000/298	Online Services and Delivery Initiative	This is an extension of an existing project by the NSW Local Government & Shires Associations (LGSA) who have been granted \$4.6m under the NSW Local Government Fund to enhance the online delivery of services and information by councils to their communities	\$4 140 000
SA1998/55	Southern Yorke Peninsula Community Telecentre	To provide additional equipment for the Telecentre	\$24 000
SA2000/151	Strathalbyn Community Online Centre	To provide marketing for the community online centre	\$4 000
SA2000/170	Distance Mental Health Care – Clinical Services, Education and Training	To provide an online booking system for the regional videoconference network	\$0
SA2000/183	Loxton Community Access Centre	To provide additional equipment and salary for the Telecentre	\$53 080
SA2000/199	The Hub – Coonalpyn Communication Network	To provide additional equipment and salary for the Telecentre	\$57 000
SA2001/220	Computers for the Community	To provide additional equipment and salary for the Telecentre	\$48 520
SA2001/227	Port Pirie Regional Resource Centre	To provide additional equipment and salary for the Telecentre	\$63 150
SA2001/231	Morgan Telecentre	To provide additional equipment and salary for the Telecentre	\$56 260
VIC2000/158	Ecafe/Eshop	To provide broadband access for the Shire's two ecafe's located in Benalla and Mansfield	\$5 000
NT1999/29	Daly Waters & District	To provide additional funds for the Ultra High Frequency UHF Citizens Band Community Radio Network	\$10 623
TAS1999/057	Career Planning Information System	The project will establish an online career planning service for the north of the State and will develop and trial an interactive database/website	\$52 000
39 ADDITIONS TO PREVIOUSLY APPROVED PROJECTS (TOPUPS)		TOTAL FUNDING FOR VARIATIONS TO PROJECTS	\$6 958 042

Annex C

APPLICATIONS RECEIVED, PROJECTS APPROVED AND VARIED BY STATE AND TERRITORY, 2001–02

	Total no. of applications considered by the NTN Board in 2001–02 (excluding variations to previously approved projects)	Projects approved by the Board for each State or Territory (excluding variations to previously approved projects)	Total no. of variations considered by the NTN Board	Total no of variations approved by the NTN Board
ACT	NIL	NIL	NIL	NIL
NSW	5	3	1	1
NT	7	4	1	1
QLD	70	38	18	17
SA	29	15	11	9
TAS	70	61	5	3
VIC	31	14	7	6
WA	11	7	NIL	1
Multistate - Remote Islands	18	6	2	1
National	2	2	NIL	NIL
External Territories	5	3	NIL	NIL
TOTAL	248	153	44	39

Annex D

SUMMARY OF FUNDING APPROVALS FOR 2001–02 BY FUND

FUND	FUNDING COMMITTED
NTN General Fund	\$24 994 707
Building Additional Rural Networks	\$12 842 454
Local Government Fund	\$15 277 425
Remote and Isolated Islands Fund	\$14 568 239
Tasmania Extended Mobile Telephone Coverage	\$1 000 000
TOTAL APPROVALS	\$68 682 825

SUMMARY OF FUNDING APPROVALS FOR 2001–02 BY STATE/TERRITORY

STATE/TERRITORY	FUNDING COMMITTED
New South Wales	\$ 6 514 600
Northern Territory	\$16 760 799
Queensland	\$16 546 208
South Australia	\$ 9 486 187
Tasmania	\$ 6 697 901
Victoria	\$ 2 185 719
Western Australia	\$ 2 141 143
Multistate	\$ 5 095 818
National	\$ 1 680 000
External Territories	\$ 1 574 450
TOTAL APPROVALS	\$68 682 825

Annex E

Payments by fund and by State/Territory in 2001–02

STATE/TERRITORY	PAYMENTS	REFUNDS	TOTAL
New South Wales	\$13 818 448.00	nil	\$13 818 448.00
Queensland	\$13 518 093.08	\$80 576.92	\$13 437 516.16
Australian Capital Territory	\$2 075 232.00	nil	\$2 075 232.00
Victoria	\$11 053 109.20	\$114 213.80	\$10 938 895.40
Tasmania	\$11 972 094.30	\$10 627.27	\$11 961 467.03
South Australia	\$7 032 992.10	\$5 735.91	\$7 027 256.19
Western Australia	\$8 675 661.64	\$246.36	\$8 675 415.28
Northern Territory	\$4 230 561.07	nil	\$4 230 561.07
Multistate	\$8 943 328.37	\$91 405.32	\$8 851 923.05
External Territories	\$890 000.00		\$890 000.00
EXPENDITURE	\$82 209 519.76		
REFUNDS TOTAL		\$302 805.58	
TOTAL EXPENDITURE			\$81 906 714.18

STATE/TERRITORY	PAYMENTS	REFUNDS	TOTAL
General Fund	\$49 006 611.96	\$206 672.99	\$48 799 938
Building Additional Regional Networks (BARN)	\$9 783 935.00		\$9 783 934
Local Government	\$21 509 270	\$11 132.59	\$21 498 135
Islands	\$1 564 672		\$1 564 672
Internet Access	\$300 777.00	\$85 000.00	\$215 777
Mobile Phone – SA	\$44 251.81		\$44 252
EXPENDITURE	\$82 209 519.76		
REFUNDS TOTAL		\$302 805.58	\$81 906 714.18
TOTAL EXPENDITURE			

Annex F

Consultants engaged by the Department of Communications, Information Technology and the Arts in 2001–02.

There were no new consultants employed by Networking the Nation in the period 1 July 2001 to 30 June 2000.

The requirements for the employment of consultants is as follows:

Justification (only required if contract was let to the value of \$10 000 or more)

Select one of the following for each entry:

- (a) Departmental staff with the specialised skills or knowledge needed to perform the task were not available within the required time frame.
- (b) There were no staff within the Department with the specialised skills or knowledge needed to perform the task.
- (c) Independent advice was required.

Selection Process Used (only required if contract was let to the value of \$10 000 or more)

Select one of the following for each entry:

- (1A) Selective tender (a number of firms were invited to quote/ tender).
- (1B) Direct engagement (only one firm was invited to quote/ tender).
- (1C) Public tenders invited (advertised in the Gazette on the Government Advertising website).

Other matters

* An estimated amount added for Goods and Services Tax.

The following is a list of consultants engaged by the Department of Communications, Information Technology and the Arts for NTN in previous financial years but still under engagement during 2001–02 in the period: 1 July 2001 to 30 June 2002.

Reference No.	Company name	Task performed	Commissioned cost \$ Ex GST	Expenditure for 2001–02-FY	GST for 2001–02 FY
PO 4503515	Wizard Information Services Pty Ltd	Provide continuing maintenance and development of the NTN Program's electronic data networking requirements, to facilitate the management and evaluation of grants. (1B) (b)	231 821.96	35 878.26	3 587.82
2000/1938	KPMG	Provide internal auditing services to the Department. (a) (1c)	14 770.00	16 247.00	1 477.00
2000/1904	Distributed Systems Technology Centre Pty Ltd	Provide a technical analysis of selected grant applications under the NTN	130 000.00	40 412.73	2 241.27
2000/1903	PriceWaterhouse-Coopers	Provide financial advice about the financial viability and business planning of proposals put forward by applicants to the NTN.	105 000.00	32 291.25	3 229.13
1998/1666	Purdon Associates Pty Ltd	Assist the Secretariat of the Regional Telecommunications Infrastructure Fund with the development and evaluation of the NTN Program.	780 000.00	0.00	0.00
		Total commissioned cost	1 261 591.96		
		Total expenditure during 2001–02		124 829.24	10 535.22
		Total consultants engaged in previous financial years but still under engagement during 2001–02	5		

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FINANCIAL PERFORMANCE

The financial statements included in this Annual Report provide detailed information on the Department's financial results for 2001–02 and its financial position at 30 June 2002.

The following summarises significant issues in the financial statements. The 2001–02 year is the third under the Government's accrual budgeting framework.

Departmental Financial Performance

The Department recorded a net surplus of \$1.1 million for the year, compared with a surplus of \$718.2 million in the 2000–01 financial year. The major reason for this variance was recognition of the Heritage Assets Collection in 2000–01, which were transferred to the National Archives of Australia through equity in 2000–01.

In comparing the budgeted net surplus of \$22.6 million published in the Portfolio Additional Estimates Statements, the Department's actual net surplus of \$1.1 million reflects a \$37.5 million write-down of assets (mainly Heritage) in the operational groups of Screensound Australia and Questacon.

Departmental Financial Position

Total Non-Financial Assets increased from \$255.8 million to \$290.3 million mainly as a result of a revaluation of assets. Provisions reduced from \$19.2 million to \$16.8 million mainly as a result of the transfer of staff to the National Office for the Information Economy on 1 July 2001.

The major cause of the net increase in equity is an increase in Reserves of \$67.9 million. This is the result of revaluations of Heritage Assets in Screensound Australia of \$53.5 million, Questacon of \$6.8 million and Artbank of \$4.9 million.

The actual Assets and Liabilities for 2001–02 differed from the published Additional Estimates Statements mainly in the area of Non-Financial Assets, where the actual outcome of \$290.3 million differed from \$260.5 million in the Additional Estimates Statements as a result of the revaluation noted above.

Departmental Cash Flow

Cash at 30 June 2002 represents unspent revenue (appropriations and other revenue), provisions, payables, revenue received in advance, delayed accommodation expenses, delayed capital purchases and refund of Capital Usage Charge.

These items explain the major variance to the budgeted Cash Flow Statement included in the Portfolio Additional Estimates Statements.

In accordance with Australian Accounting Standards, UIF 31 pronouncement Operating Cash Flow figures have been grossed up to include GST.

Administered Statements

The reporting of Administered items in 2001–02 is by way of note (Note 18) rather than primary schedules. This is as per the Finance Ministers Orders 2001–02.

Revenues and Expenses Administered on behalf of Government

Summary of major revenue variances between 2000–01 and 2001–02 include:

- Telstra dividend revenue increased from \$1,160.5 million to \$1,418.2 million, and Australia Post dividend revenue increased from \$162 million to \$368 million due to increased dividends being paid to shareholders.
- Universal Service Obligation level revenue decreased from \$116.9 million to \$67.6 million.

Summary of major expense variances between 2000–01 and 2001–02 include:

- Decrease in Federation Fund grants from \$93 million to \$65.4 million, and Universal Service Obligation payments from \$116.9 million to 67.6 million.
- Increase in Building IT Strengths grants from \$6 million to \$64.6 million, and Untimed Local Calls payments from \$15 million to \$80 million.

The budgeted Administered Financial Performance published in the Portfolio Additional Estimates Statements exclude values for Telstra and Australia Post dividends in accordance with budget estimate arrangements.

Assets and Liabilities Administered on behalf of Government

Financial Assets increased from \$6,783.4 million to \$6,977.8 million mainly due to an increase in the holding of Investments of Portfolio Agencies of \$134.9 million and the Investments of Special Accounts (Untimed Local Calls) of \$56.1 million.

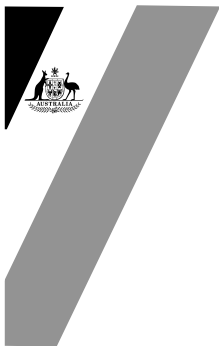
Non-Financial assets—Land and Buildings have increased from \$71.4 million in 2000–01 to \$89.9 million in 2001–02, mainly as a result of additions to and a revaluation of the National Institute of Drama and Arts Building.

The budgeted Administered Financial Position published in the Portfolio Additional Estimates Statements excludes values for Telstra and Australia Post investments in accordance with budget estimate arrangements.

Administered Cash Flows

Cash flows include transfers to and from the Official Public Account (OPA) maintained by the Department of Finance and Administration. The Department draws cash from the OPA to cover payments as they fall due, and as such the Department holds minimal cash balances reflecting timing variances.

In accordance with Australian Accounting Standards, UIG 31 pronouncement Operating Cash Flow figures have been grossed up to include GST.



INDEPENDENT AUDIT REPORT

To the Minister for Communications, Information Technology and the Arts

Scope

I have audited the financial statements of the Department of Communications, Information Technology and the Arts for the year ended 30 June 2002. The financial statements comprise:

- Statement by the Secretary;
- Statements of Financial Performance, Financial Position and Cash Flows;
- Schedules of Contingencies and Commitments; and
- Notes to and forming part of the Financial Statements.

The Department's Secretary is responsible for the preparation and presentation of the financial statements and the information they contain. I have conducted an independent audit of the financial statements in order to express an opinion on them to you.

The audit has been conducted in accordance with Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with my understanding of the Department's financial position, its financial performance and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion the financial statements:

- (i) have been prepared in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*; and
- (ii) give a true and fair view, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Finance Minister's Orders, of the financial position of the Department of Communications, Information Technology and the Arts as at 30 June 2002, and its financial performance and cash flows for the year then ended.

Australian National Audit Office



Greg Welsh
Executive Director

Delegate of the Auditor-General

Canberra
18 September 2002



Department of
Communications
Information Technology
and the Arts

our reference

**DEPARTMENT OF COMMUNICATIONS, INFORMATION TECHNOLOGY
AND THE ARTS (DCITA)**

2001-2002 FINANCIAL STATEMENTS

STATEMENT BY THE DEPARTMENTAL SECRETARY

In my opinion, the attached financial statements for the year ended 30 June 2002 give a true and fair view of the matters required by the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*.

Helen Williams AO
Secretary

18 September 2002

Jennifer Gale FCPA
Chief Financial Officer

18 September 2002

Department of Communications, Information Technology and the Arts
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 30 June 2002

	Notes	2002 \$'000	2001 \$'000
Revenues from ordinary activities			
Revenues from Government	3A	148,451	177,538
Sales of goods and services	3B	23,032	8,955
Interest	3C	1,744	1,594
Heritage assets first valued	3D	-	696,899
Other revenue	3E	17,001	22,292
Total revenues from ordinary activities		190,228	907,278
Expenses from ordinary activities (excluding borrowing cost expense)			
Employees	4A	57,376	68,392
Suppliers	4B	60,976	65,824
Depreciation and amortisation	4C	14,297	13,050
Write-down of assets	4D	37,458	1,626
Grants	4E	18,440	39,334
Other	4F	530	331
Net loss on sale of assets	4G	17	18
Subsidies	4H	-	500
Total expenses from ordinary activities (excluding borrowing cost expense)		189,094	189,075
Borrowing costs expense	5	10	12
Net operating surplus (deficit) from ordinary activities		1,124	718,191
Net surplus (deficit)		1,124	718,191
Net surplus (deficit) attributable to the Commonwealth		1,124	718,191
Net credit (debit) to asset revaluation reserve		67,864	59
Net transfer from asset revaluation reserve		-	1,348
Total revenues, expenses and valuation adjustments attributable to the Commonwealth and recognised directly in equity		67,864	1,407
Total changes in equity other than those resulting from transactions with owners as owners		68,988	719,598

The above statement should be read in conjunction with the accompanying notes.

Department of Communications, Information Technology and the Arts
STATEMENT OF FINANCIAL POSITION
as at 30 June 2002

	Notes	2002 \$'000	2001 \$'000
ASSETS			
Financial assets			
Cash	6A	17,642	17,467
Receivables	6B	11,675	14,012
Investments	6C	20,813	1,536
Accrued revenues	6D	793	311
Other financial assets	6E	10	-
Total financial assets		50,933	33,326
Non-financial assets			
Land and buildings	7A	53,802	50,317
Infrastructure, plant and equipment	7B	229,919	202,449
Inventories	7E	2,879	579
Intangibles	7C	3,039	1,696
Other	7F	667	741
Total non-financial assets		290,306	255,782
Total assets		341,239	289,108
LIABILITIES			
Interest bearing liabilities			
Leases	8	75	95
Total interest bearing liabilities		75	95
Provisions			
Employees	9	16,830	19,167
Total provisions		16,830	19,167
Payables			
Suppliers	10A	3,699	2,374
Grants	10B	-	77
Other payables	10C	6,388	10,024
Total payables		10,087	12,475
Total liabilities		26,992	31,737
NET ASSETS		314,247	257,371
EQUITY			
Parent equity interest			
Contributed equity		64,165	51,928
Reserves		82,842	14,978
Retained surpluses or accumulated deficits		167,240	190,465
Total parent equity interest		314,247	257,371
Total equity	11	314,247	257,371
Current assets		53,812	34,646
Non-current assets		287,427	254,462
Current liabilities		24,761	21,717
Non-current liabilities		2,231	10,020

The above statement should be read in conjunction with the accompanying notes.

Department of Communications, Information Technology and the Arts
STATEMENT OF CASH FLOWS
for the year ended 30 June 2002

	Notes	2002 \$'000	2001 \$'000
OPERATING ACTIVITIES			
Cash received			
Sales of goods and services			9,457
Government		10,251	-
Non-government		12,782	-
Appropriations		148,098	177,245
Interest		1,747	2,016
Grant receipts and sponsorships		6,989	12,759
GST refunds		19	5,995
Other		9,029	10,541
Total cash received		188,915	218,013
Cash used			
Employees		(56,770)	(67,491)
Suppliers		(66,076)	(74,451)
Grants		(19,524)	(41,703)
Subsidies		-	(550)
Other		(921)	(159)
Total cash used		(143,291)	(184,354)
Net cash from / (used by) operating activities	12	45,624	33,659
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant and equipment		26	18
Repayment of advance funding National Museum project		240	500
Other		180	150
Total cash received		446	668
Cash used			
Purchase of property, plant and equipment		(9,657)	(16,311)
Purchase of term deposits		(300)	(1,200)
Repayment of deposits held in trust		-	(300)
Total cash used		(9,957)	(17,811)
Net cash from / (used by) investing activities		(9,511)	(17,143)
FINANCING ACTIVITIES			
Cash received			
Appropriations - contributed equity		13,126	1,848
Restructuring - Transfer in Info Access		2,877	
Restructuring - Transfer in Sports Branch		429	
Total cash received		16,432	1,848
Cash used			
Restructuring - Transfer out NOIE		(3,692)	-
Advance to fund National Museum project		-	(1,569)
Transfer of funds to National Archives Australia		-	(7,335)
Repayments of debt		(20)	(18)
Capital use charge paid		(29,658)	(23,063)
Refund of equity injection		-	(2,933)
Total cash used		(33,370)	(34,918)
Net cash from / (used by) financing activities		(16,938)	(33,070)
Net increase / (decrease) in cash held		19,175	(16,554)
Cash at the beginning of the reporting period		17,467	34,021
Cash at the end of the reporting period		36,642	17,467

The above statement should be read in conjunction with the accompanying notes.

Department of Communications, Information Technology and the Arts
SCHEDULE OF COMMITMENTS
as at 30 June 2002

	2002	2001
	\$'000	\$'000
BY TYPE		
CAPITAL COMMITMENTS		
Land and buildings ⁽¹⁾	42	93
Infrastructure, plant and equipment ⁽²⁾	2,646	3,050
Other capital commitments	749	35
Total capital commitments	3,437	3,178
OTHER COMMITMENTS		
Operating leases ⁽³⁾	31,416	29,968
Project commitments ⁽⁴⁾	4,200	16,708
Research and development	1,238	1,139
Other commitments ⁽⁵⁾	24,908	14,875
Total other commitments	61,762	62,690
COMMITMENTS RECEIVABLE		
National Science and Technology Centre Sponsorship	(1,033)	(1,917)
ScreenSound	(267)	-
Centenary of Federation	-	(1,087)
Old Parliament House tenancies	-	(83)
Old Parliament House service contracts	(314)	(833)
Information Access	(157)	-
GST receivable	(27)	(4,943)
Total commitments receivable	(1,798)	(8,863)
Net commitments	63,401	57,005
BY MATURITY		
All net commitments		
One year or less	29,510	28,306
From one to five years	33,408	24,073
Over five years	483	4,626
Net commitments	63,401	57,005
Operating lease commitments		
One year or less	8,974	1,874
From one to five years	21,959	21,651
Over five years	483	6,443
Net commitments	31,416	29,968

(1) Outstanding contractual payments for building under construction.

(2) Infrastructure, plant and equipment commitments are primarily contracts for the provision of IT services and also for purchases of furniture and fittings.

(3) Operating lease commitments are primarily for the provision of accommodation.

(4) Project commitments include the Centenary of Federation projects.

(5) Other commitments largely comprise telecommunication and broadcasting communications research commitments.

NB: Commitments are GST inclusive where relevant.

The above schedule should be read in conjunction with the accompanying notes.

Department of Communications, Information Technology and the Arts**SCHEDULE OF CONTINGENCIES***As at 30 June 2002*

	Notes	2002 \$'000	2001 \$'000
CONTINGENT LOSSES			
Claims for damages/costs		-	125
Other - Unfinalised contract		-	61
<i>Total contingent losses</i>		-	186
CONTINGENT GAINS			
Other		-	-
Net contingencies		-	186

There are no remote contingencies.

SCHEDULE OF UNQUANTIFIABLE CONTINGENCIES*for the period ended 30 June 2002*

There are no unquantifiable departmental contingencies at 30 June 2002 (30 June 2001: Nil).

The above schedule should be read in conjunction with the accompanying notes.

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

Note	Description
1	Summary of Significant Accounting Policies
2	Events Occuring after Balance Date
3	Operating Revenues
4	Operating Expenses
5	Borrowing Costs Expense
6	Financial Assets
7	Non-Financial Assets
8	Interest Bearing Liabilities
9	Provisions
10	Payables
11	Equity
12	Cash Flow Reconciliation
13	Executive Remuneration
14	Remuneration of Auditors
15	Average Staffing Levels
16	Act of Grace Payments, Waivers and Defective Administration Scheme
17	Financial Instruments
18	Administered Items
19	Appropriations
20	Reporting by Outcomes

Note 1: Summary of Significant Accounting Policies

1.1 Objectives of the Department

The objectives of the Department of Communications, Information Technology and the Arts are:

- To contribute to the development of communications, cultural and information technology (IT) sectors in Australia that:
 - are vigorous and sustainable in a global environment;
 - encourage innovation, creativity and excellence;
 - facilitate access to communications and IT services and cultural experiences which will allow Australians to participate effectively in the community;
 - respond to the needs and interests of consumers of communications, IT and cultural services and products; and
 - take full advantage of synergies between them.
- To promote confidence in, understanding of, and a positive attitude to, science and technology, thereby advancing the cultural and economic wealth of Australia.
- To increase knowledge, appreciation, use and enjoyment of Australia's screen and recorded sound heritage by acquiring, preserving and providing access to a national collection of film, television, video, radio and recorded sound materials.

The Department comprises the Core Department, ScreenSound Australia, the National Science and Technology Centre and Artbank.

The Department is structured to meet four outcomes.

Outcome 1: A rich and stimulating cultural environment and a stronger, sustainable and internationally competitive Australian sports sector.

This Outcome is directed at:

- Providing advice to the Government on arts and sport policy issues, administering several programs and assisting the work of the arts and sport bodies established within the portfolio.

Outcome 2: A competitive and sustainable advantage in the global information economy.

This Outcome is directed at developing:

- Efficient, innovative and diverse broadcasting, online and information industries and services that are consistent with the Government's economic, social and cultural policies;
- Efficient, innovative and globally competitive communications industries that meet user needs, through the provision of services which are: continuously responsive to user requirements; provide access by users to the widest range of services; stimulate exports, industry development and competitiveness;
- Electronic access to Government information and services;
- Competitive advantage in the global information economy to enhance Australian social well-being; and
- An intellectual property regime which balances the interests of creators and copyright holders with the interests of the community.

Outcome 3: Australians value science and technology's contribution to our culture and economic prosperity.

Questacon – the National Science and Technology Centre – aims to help Australians to value science and technology's contribution to our culture and economic prosperity. As a national leader in communicating science, Questacon makes science fun and relevant for everybody by engaging people in making their own stimulating discoveries.

Outcome 4: Increased use, enjoyment and safety of Australia's audiovisual heritage.

ScreenSound Australia is the screen and sound archive for the Nation. It develops and maintains an audiovisual collection reflective of Australian culture and the audiovisual industry and encourages access to, and use of, the collection throughout the country.

1.2 Basis of Accounting

The financial statements are required by section 49 of the *Financial Management and Accountability Act 1997* and are a general-purpose financial report.

The statements have been prepared in accordance with:

- Finance Minister's Orders (being the Financial Management & Accountability (Financial Statements 2001-2002) Orders);
- Australian Accounting Standards and Accounting Interpretations issued by the Australian Accounting Standards Board;
- other authoritative pronouncements of the Board in Australia; and
- Consensus Views of the Urgent Issues Group.

The statements have also been prepared having regard to the Explanatory Notes to Schedule 1, and Finance Briefs issued by the Department of Finance and Administration.

The Statements of Financial Performance and Financial Position have been prepared on an accrual basis and are in accordance with the historical cost convention, except for certain assets, which, as noted, are at valuation. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

Assets and liabilities are recognised in the Department's Statement of Financial Position when, and only when, it is probable that future economic benefits will flow and the amounts of the assets or liabilities can be reliably measured. Assets and liabilities arising under agreements equally proportionately unperformed are, however, not recognised unless required by an Accounting Standard. Liabilities and assets which are unrecognised are reported in the Schedule of Commitments and the Schedule of Contingencies.

Revenues and expenses are recognised in the Department's Statement of Financial Performance when, and only when, the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

The continued existence of the Department in its present form, and with its present programs, is dependent on government policy and on continuing appropriations by Parliament for the Department's administration and programs.

Administered revenues, expenses, assets and liabilities and cash flows reported in Note 18 are accounted for on the same basis and using the same policies as for Department items, except where otherwise stated.

1.3 Changes in Accounting Policy

The accounting policies used in the preparation of these financial statements are consistent with those used in the 2000-01, except in respect of:

- Output appropriations (refer to Note 1.4);
- Equity injections (refer to Note 1.5); and
- Presentation and disclosure of administered items (refer to Note 1.20).

1.4 Revenue

The revenues described in this Note are revenues relating to core operating activities of the Department.

(a) Revenues from Government

The full amount of the appropriation for the departmental outputs for the year (less any savings offered up at Additional Estimates and not subsequently released) is recognised as revenue. This is a change in accounting policy caused by the introduction of a new requirement to this effect in the Finance Minister's Orders. (In 2000-01, output appropriations were recognised as revenue to the extent the appropriations had been drawn down from the Official Public Account).

The change in policy had no financial effect in 2001-02 as the full amount of the output appropriation for 2000-01 had been drawn down in that year.

(b) Resources Received Free of Charge

Services received free of charge are recognised as revenue when and only when a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised at their fair value when the asset qualifies for recognition, unless received from another government department as a consequence of a restructuring of administrative arrangements (refer to Note 1.5).

(c) Other Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from disposal of non-current assets is recognised when control of the asset has passed to the buyer.

Department revenue from the rendering of a service is recognised by reference to the stage of completion of contracts or other agreements to provide services to Commonwealth bodies. The stage of completion is determined according to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Receivables are recognised and carried at the original invoice amount less any provision for uncollectable debts. An estimate for doubtful debts is made when the collection of the full amount of the debt is considered no longer probable.

1.5 Transactions by the Government as Owner

From 1 July 2001, Appropriations designated as 'Capital – equity injections' are recognised directly in Contributed equity according to the following rules determined by the Finance Minister:

- To the extent that the appropriation is not dependent on future events, as at 1 July; and
 - To the extent that it is dependent on specified future events requiring future performance, on drawdown.
- (In 2000-01, all equity injections were recognised as contributed equity on drawdown).

The change in policy has no financial effect in 2001-02 because the full amounts of the equity injections in both 2000-01 and 2001-02 met the criteria now required by the Finance Minister.

Net assets received under a restructuring of administrative arrangements are designated by the Finance Minister as contributions by owners and adjusted directly against equity. Net assets relinquished are designated as distributions to owners. Net assets transferred are initially recognised at the amounts at which they were recognised by the transferring department immediately prior to the transfer.

1.6 Employee Entitlements

(a) Leave

The liability for employee entitlements includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the Department is estimated to be less than the annual entitlement for sick leave.

The liability for annual leave reflects the value of total annual leave entitlements of all employees at 30 June 2002 and is recognised at the nominal amount.

The non-current portion of the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at 30 June 2002. In determining the present value of the liability, the Department has taken into account attrition rates and pay increases through promotion and inflation.

(b) Separation and redundancy

Provision is made for separation and redundancy payments in circumstances where the Department has formally identified positions as excess to requirements and a reliable estimate of the amount of the payments can be determined.

(c) Superannuation

Staff of the Department are primarily members of the Commonwealth Superannuation Scheme (CSS) or the Public Sector Superannuation Scheme (PSS). Employer contributions amounting to \$5.276m (2001 \$6.005m) in relation to these schemes have been expended in these financial statements.

Employer Superannuation Productivity Benefit contributions totalled \$1.011m (2001 \$1.180m).

Payments to AGEST and other schemes totalled \$0.397m (2001 \$0.424m).

1.7 Leases

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is capitalised at the present value of minimum lease payments at the inception of the lease and a liability recognised for the same amount. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a basis, which is representative of the pattern of benefits derived from the leased assets. The net present value of future net outlays in respect of surplus space under non-cancellable lease agreements is expensed in the period in which the space becomes surplus.

The Department entered into a sale and operating leaseback of certain IT assets on 1 July 2000. The carrying amount of these assets was written down to fair value at that date and the consequent profit on the sale is being amortised over the period of the lease.

Lease incentives taking the form of 'free' leasehold improvements and rent holidays are recognised as liabilities. These liabilities are reduced by allocating lease payments between rental expense and reduction of the liability.

1.8 Borrowing Costs

All borrowing costs are expensed as incurred except to the extent that they are directly attributable to qualifying assets, in which case they are capitalised. The amount capitalised in a reporting period does not exceed the amounts of costs incurred in that period.

The Department has one qualifying asset for which funds were borrowed specifically in 2000-01.

1.9 Cash

Cash means cheques, notes and coins held and any deposits held at call with a bank or financial institution.

1.10 Financial Instruments

Accounting policies for financial instruments are stated at Note 17 and Administered Note 18j.

1.11 Acquisition of Assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition, unless acquired as a consequence of restructuring administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor Department's accounts immediately prior to the restructuring.

Assets acquired as a consequence of restructuring administrative arrangements have been recognised at the amounts they were recognised in the transferor Department's accounts immediately prior to the restructuring.

1.12 Property, Plant and Equipment

Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

Revaluations

Land, buildings, infrastructure, plant and equipment are revalued in accordance with the 'deprival' method of valuation in 3-year cycles, so that no asset has a value greater than three years old.

Infrastructure, leasehold improvements, plant and equipment were revalued in 2001-2002.

In accordance with the deprival methodology, land is measured at its current market buying price. Property (other than land), plant and equipment are measured at their depreciated replacement cost. Where assets are held which would not be replaced or are surplus to requirements, measurement is at net realisable value. At 30 June 2002, the Agency had no assets in this situation.

All valuations are independent.

Heritage Assets

ScreenSound Australia holds a national collection of film, television, video, radio and recorded sound materials. These items were initially valued at 30 June 1999 and were revalued at 30 June 2002.

The Department holds a collection of items at Old Parliament House that are classified as heritage assets. This collection was revalued as at 30 June 2001.

Recoverable Amount Test

Schedule 1 requires the application of the recoverable amounts tests to departmental non-current assets in accordance with AAS 10 *Recoverable Amount of Non-Current Assets*. The carrying amounts of these non-current assets have been reviewed to determine whether they are in excess of their recoverable amounts. In assessing recoverable amount, the relevant cash flows have been discounted to their present value.

Depreciation and Amortisation of Non-Current Assets

Depreciable property plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the Department, using, in all cases, the straight-line method of depreciation. Leasehold improvements are amortised on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation/amortisation rates (useful lives) and methods are reviewed at each balance date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate. Residual values are re-estimated for a change in prices only when assets are revalued.

Intangibles

The Department's intangibles comprise externally purchased and internally-developed software. The asset is carried at cost.

The carrying amount of each non-current intangible asset is reviewed to determine whether it is in excess of the asset's recoverable amount. If an excess exists as at the reporting date, the asset is written down to its recoverable amount immediately. In assessing recoverable amounts, the relevant cash flows, including the expected cash inflows from future appropriations by the Parliament, have been discounted to their present value.

No write-down to recoverable amount has been made in 2001-02.

Intangible assets are amortised on a straight-line basis over their anticipated useful lives.

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

Depreciation and amortisation rates applying to each class of depreciable asset are based on the following useful lives:

	2002	2001
Land and buildings		
• Buildings	7-114 years	7-114 years
• Land improvements	35 – 50 years	35 - 50 years
• Leasehold improvements	Lower of 10 years or term of lease	5 – 10 years
Infrastructure, plant and equipment		
• Infrastructure	15 – 40 years	15 – 40 years
• Computer equipment	3 – 5 years	3 – 5 years
• Plant, office equipment, furniture & fittings	3 – 12 years	5 – 10 years
• Vehicles	10 – 15 years	10 – 15 years
• SSA Heritage assets	5 – 79 years	5 – 79 years
• Heritage assets (other than SSA)	40 – 114 years	40 – 114 years
• Artworks	0 years	0 years
• Exhibition assets	5-6 years	5-20 years
Intangibles		
• Externally purchased software	3 – 5 years	3 – 5 years
• Internally developed software	3 - 5 Years	3 - 5 Years

The aggregate amount of depreciation allocated for each class of asset during the reporting period is disclosed in Note 4C.

1.13 Inventories

Inventories held for resale are valued at the lower of cost and net realisable value.

Inventories not held for resale are valued at cost unless they are no longer required, in which case they are valued at net realisable value.

A provision for obsolete stock is raised based on a review of inventory on hand at year end.

Costs incurred in bringing each item of inventory to its present location and condition are assigned as follows:

- raw materials and stores – purchase cost on a weighted average cost basis; and
- finished goods and work in progress – cost of direct materials and labour plus attributable costs that are capable of being allocated on a reasonable basis.

1.14 Taxation

The Department is exempt from all forms of taxation except fringe benefits tax and the goods and services tax.

Goods and Services Tax

Revenue and expenses are recognised net of the amount of GST, except where the amount of GST is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

1.15 Capital Usage Charge

A capital usage charge of 11% (2001: 12%) is imposed by the Government on the agreed net departmental assets of the Department. The charge is adjusted to take account of asset gifts and revaluation increments during the financial year.

1.16 Foreign Currency

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date. Associated currency gains and losses are not material.

1.17 Insurance

The Department is insured for risks through the Government's insurable risk managed fund, Comcover. Workers compensation is insured through Comcare Australia.

1.18 Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation in these financial statements where required.

1.19 Rounding

Amounts have been rounded to the nearest \$1,000 except in relation to the following items:

- act of grace payments and waivers;
- remuneration of executives;
- remuneration of auditors; and
- appropriation note disclosures.

1.20 Reporting of Administered Activities

Administered revenues, expenses, assets, liabilities and cash flows are presented in the Notes to these financial statements. In 2000-01, summary information was presented in Schedules following the primary Department statements. Either presentation is permitted by AAS 29 *Financial Reporting by Government Departments*.

Accounting policies for administered items are as stated in note 1.2 above.

These financial statements do not report the receipt of administered appropriations from the Official Public Account (OPA) as administered revenues, nor are transfers of administered receipts to the OPA reported as administered expenses. This change in 2001-02 acknowledges that the administered activities of agencies are

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

performed on behalf of the Commonwealth Government and it is not appropriate to identify resources transferred between administered activities of different Departments as revenues and expenses of the Administered entity. Generally, therefore, the notes to these financial statements do not report any transactions or balances that are internal to the Administered entity. One exception is the disclosure of administered cash flows, since cash transferred between the OPA and the Department's administered bank account is necessary for the completeness of the cash flow disclosures.

Accounting policies which are relevant to administered activities only of the Department are disclosed.

(a) Revenue

All administered revenues are revenues relating to the core operating activities performed by the Department on behalf of the Commonwealth.

(b) Grants

The Department administers a number of grant schemes on behalf of the Government.

Grant liabilities are recognised to the extent that (i) the services required to be performed by the grantee have been performed or (ii) the grant eligibility criteria have been satisfied. A commitment is recorded when the Government has a binding agreement to make the grants but services have not been performed or criteria satisfied. Where grants moneys are paid in advance of performance or eligibility, a prepayment is recognised.

(c) Administered Investments

Administered investments in controlled entities are not consolidated because their consolidation is relevant only at the Whole of Government level.

The Government's capital investment in the Education Services Business Operation of the Department is recognised as an asset and is carried at cost.

The Commonwealth's investment in other controlled authorities and companies in the portfolio is valued at the aggregate of the Commonwealth's share of the net assets or liabilities of each entity fixed as at 30 June 1997, as adjusted for any subsequent capital injections or withdrawals.

Note 2 : Events Occurring after Balance Date

Information Access Branch transferred to the National Office for the Information Economy with effect from 1 July 2002. The estimated effect of this will be to reduce assets by \$4,314,833 and liabilities by \$1,788,645.

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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	2002	2001
	\$'000	\$'000
Note 3: Operating Revenues		
<u>Note 3A - Revenues from Government</u>		
Annual Appropriations	145,168	174,385
Special Appropriations	2,930	2,860
Resources received free of charge	353	293
Total	148,451	177,538
<u>Note 3B - Sales of Goods and Services</u>		
Services		
Entry charges to exhibitions	2,244	2,055
Royalties received	1,971	178
Rent & service contract licence fees	511	509
Fees for services provided	7,162	1,521
Artbank rental revenue	2,020	1,796
	13,908	6,059
Goods		
Sale of inventory goods	1,668	1,496
Other sale of goods & services	3,962	1,400
Other sales	2,976	-
Sub sales	543	-
Sales returns and allowances	(25)	-
	9,124	2,896
Total	23,032	8,955
Goods and services were sold as follows:		
Government	10,251	2,866
Non-Government	12,781	6,089
Total	23,032	8,955
Costs of sales of goods	2,089	690
<u>Note 3C - Interest</u>		
Interest from DoFA	1,630	1,521
Interest from other sources	114	73
Total	1,744	1,594
<u>Note 3D - Heritage Assets</u>		
Heritage assets first valued		
Heritage assets first valued	-	696,899
Total	-	696,899

Department of Communications, Information Technology and the Arts
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for the period ended 30 June 2002

	2002	2001
	\$'000	\$'000
<u>Note 3E - Other Revenue</u>		
Other Revenue		
Grants received	181	568
Sponsorship and donations received	6,808	10,874
Other revenue	10,012	10,850
Total	<u>17,001</u>	<u>22,292</u>

Note 4: Operating Expenses

Note 4A - Employee Expenses

Remuneration (for services provided)	42,333	50,906
Superannuation	6,684	7,609
Recreation and long service leave	3,526	5,063
Performance pay	168	698
Separation and redundancy payments	1,922	1,123
Workers' compensation premiums	924	549
Other employee expenses	1,819	2,444
Total	<u>57,376</u>	<u>68,392</u>

Note 4B - Suppliers Expenses

Supply of goods and services	59,652	65,486
Doubtful debts	955	-
Operating lease rentals	369	338
Total	<u>60,976</u>	<u>65,824</u>

Note 4C - Depreciation and Amortisation

Depreciation of property, plant and equipment	13,710	12,603
Amortisation of leased assets	587	447
Total	<u>14,297</u>	<u>13,050</u>

The aggregate amounts of depreciation or amortisation expensed during the reporting period for each class of depreciable asset are as follows:

Land and buildings		
Buildings	1,308	1,078
Land improvements	-	-
Leasehold improvements	876	1,246
Infrastructure, plant and equipment		
Computer equipment	262	270
Plant, office equipment, furniture & fittings	1,124	1,192
SSA Heritage assets	8,027	7,505
Exhibition Assets	2,130	1,330
Intangibles		
Software	559	410
Other	10	19
Total depreciation and amortisation	<u>14,297</u>	<u>13,050</u>

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2002

	2002	2001
	\$'000	\$'000
<u>Note 4D - Write-Down of Assets</u>		
Financial assets		
Other Financial Assets	<u>2</u>	<u>52</u>
	2	52
Non-financial assets		
Infrastructure, plant and equipment written off	36,647	1,532
Software licences written off	300	
Inventories - obsolete stock expense	206	42
Write down of intangibles revaluation decrement	221	-
Write down of land and building revaluation decrement	<u>82</u>	<u>-</u>
	37,456	1,574
Total	<u><u>37,458</u></u>	<u><u>1,626</u></u>
<u>Note 4E - Grants</u>		
Grants to non-profit institutions	9,278	13,167
Grants to Commonwealth entities	3,792	5,152
Grants to State and Territory governments	1,362	10,870
Grants to other entities	<u>4,008</u>	<u>10,145</u>
Total	18,440	39,334
<i>The nature of the grants are as follows:</i>		
Centenary Of Federation	2,063	16,304
Information Technology - High Performance Computing	-	762
Software Engineering	3,470	6,945
Telecommunications Consumer Representation	712	716
NetAlert	1,500	1,500
Information Technology Online	4,949	1,361
Community Broadcasting Foundation	-	4,823
Telecommunications AccessAbility	536	680
Arts Support Program	188	1,732
Book Industry Assistance Package	2,300	2,300
Indigenous Cultural Property	289	96
E-commerce Skills Initiative	-	2,000
Support Arts and Culture	2,418	-
Supporting Anti-Drugs Initiative	15	-
Other	<u>-</u>	<u>115</u>
	<u><u>18,440</u></u>	<u><u>39,334</u></u>

Department of Communications, Information Technology and the Arts
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for the period ended 30 June 2002

	2002	2001
	\$'000	\$'000
<u>Note 4F - Other Expenses</u>		
Legal and compensation claims	-	50
Other	530	281
Total	530	331

Note 4G - Net Loss on Sale of Assets

Infrastructure, plant and equipment		
Proceeds from sale	26	18
Cost at sale (net book value at sale)	43	36
Net loss	(17)	(18)
Total net loss from sale of assets	(17)	(18)
Add: Plant and equipment written off on disposal (Note 4D)	(36,647)	(1,532)
Net loss on disposal of property, plant and equipment	(36,664)	(1,550)

Note 4H- Subsidies

Subsidies	-	500
	-	500

Note 5: Borrowing Costs Expense

Leases	10	12
Total	10	12

Department of Communications, Information Technology and the Arts
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for the period ended 30 June 2002

	2002	2001
	\$'000	\$'000

Note 6: Financial Assets

Note 6A - Cash

Cash on hand	64	38
Cash at bank	17,578	17,429
	17,642	17,467

All cash recognised is a current asset.

Note 6B - Receivables

Loans	829	1,348
Trade debtors	4,198	1,801
Goods and services tax	673	1,571
Other	6,974	9,596
	12,674	14,316
Provision for doubtful debts	(999)	(304)
	11,675	14,012

All receivables are current assets.

Receivables (gross) are aged as follows:

Overdue by:

less than 30 days	9,521	14,020
30 to 60 days	512	122
60 to 90 days	453	85
more than 90 days	2,188	89

Total receivables (gross)	12,674	14,316
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Note 6C - Investments

Current

Term deposits - 7 days	19,000	1,536
Term deposits - > 7 days	1,813	-
	20,813	1,536

All investments are current assets.

Department of Communications, Information Technology and the Arts
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	2002	2001
	\$'000	\$'000
<u>Note 6D - Accrued Revenue</u>		
Goods and services	786	302
Interest and dividends	7	9
	793	311

All accrued revenue is a current asset.

Note 6E - Other Financial Assets

Assets Pending Disposal	10	-
	10	-

All other financial assets are current assets.

Note 7 Non-Financial Assets

Note 7A - Land and Buildings

Land and buildings - at cost	27,770	3,261
Accumulated depreciation	(6,314)	(2,393)
	21,456	868

Land and buildings - at 2002 - 2005 valuation	37,320	57,550
Accumulated depreciation	(5,035)	(8,180)
	32,285	49,370

Leasehold improvements - under finance lease	175	175
Accumulated amortisation	(114)	(96)
	61	79

Total Land and Buildings (non-current)	53,802	50,317
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Department of Communications, Information Technology and the Arts
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for the period ended 30 June 2002

	2002	2001
	\$'000	\$'000
Note 7B - Infrastructure, Plant and Equipment		
Infrastructure, Plant and Equipment - at cost	39,714	20,991
Accumulated depreciation	(15,695)	(1,929)
	24,019	19,062
Infrastructure, Plant and Equipment - at 2002 - 2005 valuation	242,194	215,235
Accumulated depreciation	(36,294)	(31,848)
	205,900	183,387
Total Infrastructure, Plant and Equipment (non-current)	229,919	202,449

Plant and equipment under finance leases is subject to revaluation. The carrying amount is included in the valuation figures above and is separately disclosed in Table C below.

Assets transferred to the Department as a result of restructuring of administrative functions in 2001 - 02 had been carried at their 1999 - 00 deprival values by transferor agencies at the time of transfer and are included at cost unless part of the 2001 - 02 component being revalued.

The revaluations were in accordance with the revaluation policy stated at Note 1. Revaluation increments of \$4,772,000 (2001 increment: \$1,107,000) for land and buildings and \$63,121,000 (2001 increment: \$80,000) for Infrastructure, plant and equipment.

(a) The core Department's revaluations were completed by independent valuer Preston Rowe Patinson NSW Pty Ltd.

(b) Artbank's revaluations were completed by Antonia Syme, Artbank's Director with the assistance of Wally Caruana of Caruana Fine Art.

(c) Questacon's revaluations were completed by independent valuers Hymans Asset Management. The valuers name is Shane Abbey.

(d) Screensound Australia's revaluations were completed for land, buildings and leasehold improvements by independent valuers McCann and Associates. The valuers name is Steven Flannery. Heritage assets, Exhibition Equipment and Plant and Furniture revaluations were undertaken by independent valuers the Australian Valuation Office (AVO), by Bryan Hurrell, Matthew Davies, Simon Storey and Ian Armstrong.

Note 7C - Intangibles

Computer software - at cost	4,106	2,830
Accumulated amortisation	(2,457)	(1,949)
	1,649	881
Computer Software internally developed - in progress	1,386	777
Other intangibles - at 2002 - 2005 valuation	52	95
Accumulated amortisation	(48)	(57)
	4	38
Total Intangibles	3,039	1,696

Note 7D - Analysis of Property, Plant, Equipment and Intangibles

TABLE A - Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

Item	Total Land	Buildings & Leasehold Improvements	Total Land & Buildings	Total Plant & Equipment	Computer Software	Other Intangibles	Total Intangibles	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross Value as at 1 July 2001	2,520	58,466	60,986	236,226	3,608	95	3,703	300,915
Additions: purchases of assets	-	939	939	12,297	2,256	-	2,256	15,492
Revaluations: write-ups/(write-downs)	330	4,478	4,808	80,967	-	2	2	85,777
Assets transferred in/(out)	-	(7)	(7)	(446)	(40)	(45)	(85)	(538)
Write-offs	-	(1,461)	(1,461)	(47,011)	(332)	-	(332)	(48,804)
Disposals	-	-	-	(125)	-	-	-	(125)
Gross Value as at 30 June 2002	2,850	62,415	65,265	281,908	5,492	52	5,544	352,717
Accumulated Depreciation/Amortisation as at 1 July 2001	-	10,669	10,669	33,777	1,950	57	2,007	46,453
Disposals	-	-	-	(82)	-	-	-	(82)
Depreciation/amortisation charge for the year	-	2,185	2,185	11,543	560	10	570	14,297
Revaluations: write ups/(write downs)	-	36	36	17,846	-	2	2	17,884
Assets transferred in/(out)	-	33	33	(729)	(20)	(21)	(41)	(738)
Write-offs	-	(1,460)	(1,460)	(10,365)	(32)	-	(32)	(11,857)
Accumulated depreciation/amortisation as at 30 June 2002	-	11,463	11,463	51,989	2,457	48	2,505	65,957
Net book value as at 30 June 2002	2,850	50,952	53,802	229,919	3,035	4	3,039	286,760
Net book value as at 1 July 2001	2,520	47,797	50,317	202,449	1,658	38	1,696	254,462

Department of Communications, Information Technology and the Arts
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for the year ended 30 June 2002
TABLE B - Assets at valuation

Item	Total Land	Buildings & Leasehold Improvements	Total Land & Buildings	Total Plant & Equipment	Computer Software	Other Intangibles	Total Intangibles	TOTAL
As at 30 June 2002	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross value	2,850	34,470	37,320	242,194	-	52	2,024	280,497
Accumulated depreciation/amortisation	-	(5,035)	(5,035)	(36,294)	-	(48)	(927)	(41,504)
Net book value	2,850	29,435	32,285	205,900	-	4	1,097	238,993
As at 30 June 2001								
Gross value	2,520	55,030	57,550	215,235	-	-	-	272,785
Accumulated depreciation/amortisation	-	(8,180)	(8,180)	(31,848)	-	-	-	(40,028)
Net book value	2,520	46,850	49,370	183,387	-	-	-	232,757

TABLE C - Assets held under finance lease

Item	Total Land	Buildings & Leasehold Improvements	Total Land & Buildings	Total Plant & Equipment	Computer Software	Other Intangibles	Total Intangibles	TOTAL
As at 30 June 2002	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross value	-	175	175	-	-	-	-	175
Accumulated depreciation/amortisation	-	(114)	(114)	-	-	-	-	(114)
Net book value	-	61	61	-	-	-	-	61
As at 30 June 2001								
Gross value	-	175	175	-	-	-	-	175
Accumulated depreciation/amortisation	-	(96)	(96)	-	-	-	-	(96)
Net book value	-	79	79	-	-	-	-	79

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TABLE D - Assets under construction

Item	Total Land \$'000	Buildings & Leasehold Improvements \$'000	Total Land & Buildings \$'000	Total Plant & Equipment \$'000	Computer Software \$'000	Other Intangibles \$'000	Total Intangibles \$'000	TOTAL \$'000
As at 30 June 2002								
Gross value	-	-	-	-	1,386	-	1,386	1,386
Accumulated depreciation/amortisation	-	-	-	-	-	-	-	-
Net book value					1,386		1,386	1,386
As at 30 June 2001								
Gross value	-	-	-	-	-	95	95	97
Accumulated depreciation/amortisation	-	-	-	-	-	(57)	(57)	(58)
Net book value						38	38	38

Department of Communications, Information Technology and the Arts
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for the year ended 30 June 2002

	2002	2001
	\$'000	\$'000
<u>Note 7E - Inventories</u>		
Inventories held for sale		
Finished goods	2,941	488
Provision for obsolete stock	(226)	(62)
	2,715	426
Inventories not held for sale		
Store holdings - consumables	164	153
	164	153
Total	2,879	579

All departmental inventories are current assets.

Note 7F - Other Non-Financial Assets

Prepayments	667	718
Other	-	23
	667	741

All other non-financial assets are current assets.

Note 8 - Interest Bearing Liabilities

Leases

Finance lease commitments		
Payable:		
Within one year	22	20
In one to five years	53	75
In more than five years	-	-
Minimum lease payments	75	95
Deduct: future finance charges	-	-
Lease liability	75	95
Lease liability is represented by:		
Current	25	20
Non-current	50	75
	75	95

Finance leases exist in relation to leasehold improvements. The leases are non-cancellable and for fixed terms averaging 7 years, with a maximum of 7 years. The Agency guarantees the residual values of all assets leased.

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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	2002	2001
	\$'000	\$'000
Note 9 - Provisions		
<u>Employee</u>		
Salaries and wages	1,594	1,402
Recreation and Long Service Leave	14,871	17,683
Separations and redundancies	346	60
Aggregate employee entitlement liability	16,811	19,145
Other	19	22
Total	16,830	19,167
Current	14,650	9,222
Non-Current	2,180	9,945
Note 10 - Payables		
<u>Note 10A - Supplier Payables</u>		
Trade creditors	2,069	871
Other creditors	1,630	1,503
Total	3,699	2,374
Supplier payables are represented by:		
Current	3,699	2,374
Non-current	-	-
Total	3,699	2,374
<u>Note 10B - Grants</u>		
Grants payable to Departmental bodies	-	77
Total	-	77
<u>Note 10C - Other Payables</u>		
Unearned income	4,068	7,038
Other	2,320	2,986
Total	6,388	10,024

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

Note 11: Equity

Note 11A - Analysis of Equity

Item	Accumulated results		Asset revaluation reserve		Total Reserves		Contributed Equity		TOTAL EQUITY	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
Opening balance as at 1 July	190,465	199,606	14,978	77,733	14,978	77,733	51,928	44,167	257,371	321,506
Net result and extraordinary items	1,124	718,191	-	-	-	-	-	-	1,124	718,191
Net revaluation increment/(decrement)	-	-	67,864	59	67,864	59	-	-	67,864	59
Capital use charge (CUC)	(24,349)	(24,593)	-	-	-	-	3,414	8,570	(20,935)	(16,023)
Contribution of equity: appropriation	-	-	-	-	-	-	2,742	1,848	2,742	1,848
Restructuring transfers	-	(704,087)	-	(61,466)	-	(61,466)	6,081	(236)	6,081	(765,789)
Other	-	-	-	-	-	-	-	(2,421)	-	(2,421)
Transfer to/(from)/between reserves	-	1,348	-	(1,348)	-	(1,348)	-	-	-	-
Closing balance as at 30 June	167,240	190,465	82,842	14,978	82,842	14,978	64,165	51,928	314,247	257,371
Less: outside equity interests	-	-	-	-	-	-	-	-	-	-
Total equity attributable to the Commonwealth	167,240	190,465	82,842	14,978	82,842	14,978	64,165	51,928	314,247	257,371

Transaction banking arrangements introduced from 1 July 1999 enable agencies to manage their surplus cash balances and earn interest on them. Reviews are being conducted by Department of Finance and Administration with each agency to determine whether interest earned to 30 June 2002 was consistent with the Government's budget-neutrality condition for the arrangement (the review in this department indicated excess interest amounting to \$1.6m). However, as at the date of signing these financial statements, no decision has been made by the Government of the amount, if any, of the distribution of equity to be made to it by the Department.

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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Note 11B - Restructuring

As a result of restructuring of administrative arrangements, the Department assumed responsibility for the distribution of Government information and the responsibility of the Sport and sport agencies policy on the 26 November 2001 from the Department of Finance and Administration and the Department of Industry, Tourism and Resources respectively. The Department relinquished its responsibility for the National Office for the Information Economy and the Cultural Heritage programs from 1 July 2001 and 26 November 2001 respectively.

(2001: As a result of the National Archives of Australia becoming a prescribed agency under the *Financial Management and Accountability Act 1997*, the Department relinquished its responsibility for the Archives from 1 July 2000).

In respect of the functions assumed, the net book values of assets and liabilities transferred to the Department for no consideration and recognised as at the date of transfer were:

	2002	2001
	\$'000	\$'000
Total assets recognised	7,864	-
Total liabilities recognised	(2,076)	-
Net assets assumed	5,788	-

In respect of functions relinquished, the following assets and liabilities were transferred by the Department:

National Office for the Information Economy

Total assets relinquished	(4,268)	-
Total liabilities relinquished	4,561	-
Net assets relinquished	293	-

Net contribution by Government as owner during the year	6,081	-
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National Archives of Australia

Total assets relinquished	-	(773,626)
Total liabilities relinquished	-	7,837
Net assets relinquished	-	(765,789)

Net contribution by Government as owner during the year	-	(765,789)
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Government Information

Revenues

Recognised by the Department of Finance and Administration	7,545	n/a
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Department of Communications, Information Technology and the Arts
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Recognised by the Department of Communications, Information Technology and the Arts	<u>7,117</u>	<u>n/a</u>
Total revenues	<u>14,662</u>	<u>n/a</u>

Expenses

Recognised by the Department of Finance and Administration	6,451	n/a
Recognised by the Department of Communications, Information Technology and the Arts	<u>7,835</u>	<u>n/a</u>
Total expenses	<u>14,286</u>	<u>n/a</u>

Sport and sport agencies

Revenues

Recognised by the Department of Industry, Tourism and Resources	434	n/a
Recognised by the Department of Communications, Information Technology and the Arts	<u>520</u>	<u>n/a</u>
Total revenues	<u>954</u>	<u>n/a</u>

Expenses

Recognised by the Department of Industry, Tourism and Resources	434	n/a
Recognised by the Department of Communications, Information Technology and the Arts	<u>486</u>	<u>n/a</u>
Total expenses	<u>920</u>	<u>n/a</u>

Administered

As a result of restructuring of administrative arrangements, the Department relinquished its responsibility for the National Australia Day Council (\$74,000 in liabilities) and the Cultural Heritage programs (\$132,250 in assets) from 26 November 2001.

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

Note 12 - Cash Flow Reconciliation	2002 \$'000	2001 \$'000
Reconciliation of cash per Statement of Financial Position to Statement of Cash Flows		
Cash at year end per Statement of Cash Flows	36,642	17,467
Statement of Financial Position items comprising above cash: 'Financial Asset - Cash'	36,642	17,467
Reconciliation of net surplus to net cash from operating activities:		
Net surplus (deficit)	1,124	718,191
Add:		
Depreciation / amortisation	14,297	13,049
Loss on disposal of non-current assets	17	14
Fixed asset additions, non-cash	(8)	(1,935)
Movement in provisions related to adjustment to accumulated results	-	(696,170)
Movement in receivables related to capital injection	-	1,395
Write-down of Infrastructure, plant and equipment	37,458	1,624
Other non-cash items	-	(5,583)
Reversal of previous asset write-down	755	-
Restructing - net expenses (revenue)	6,092	-
Other	(6,955)	-
Change in assets and liabilities:		
(Increase)/decrease in receivables	1,413	(1,375)
Increase/(decrease) in accrued revenue	(407)	130
(Increase)/decrease in inventories	(2,299)	(70)
(Increase)/decrease in intangibles	-	(822)
(Increase)/decrease in other non-financial assets	2	564
Increase/(decrease) in provisions and payables for suppliers	1,177	(1,760)
Increase(decrease) in provisions and payables for employees	(2,341)	1,469
Increase/(decrease) in provisions and payables for grants	(77)	53
Increase/(decrease) in other provision and payables	(845)	4,885
Change in other assets and liabilities	(3,779)	-
Net cash from/(used by) operating activities	45,624	33,659

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

	2002	2001
	\$'000	\$'000
Note 13 - Executive Remuneration		
The number of executives who received or were due to receive total remuneration of \$100,000 or more:		
\$100,000 to \$110,000	-	3
\$110,001 to \$120,000	6	8
\$120,001 to \$130,000	6	6
\$130,001 to \$140,000	6	7
\$140,001 to \$150,000	2	6
\$150,001 to \$160,000	2	1
\$160,001 to \$170,000	2	5
\$170,001 to \$180,000	5	-
\$180,001 to \$190,000	-	-
\$190,001 to \$200,000	-	2
\$200,001 to \$210,000	1	
\$210,001 to \$220,000	-	
\$220,001 to \$230,000	1	
\$240,001 to \$250,000		1
\$250,001 to \$260,000	-	1
\$270,001 to \$280,000	-	1
	<u>31</u>	<u>41</u>

	2002	2001
	\$'000	\$'000
The aggregate amount of total remuneration of executives shown above:	\$4,481,027	\$5,908,646
The aggregate amount of separation and redundancy payments during the year to Executives shown above.	\$168,627	\$929,708

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

	2002	2001
	\$'000	\$'000

Note 14 - Remuneration of Auditors

Financial statement audit services are provided free of charge to the department.

The fair value of audit services provided was:

Department	350,000	275,000
Artbank	-	13,000
Regional Telecommunications Infrastructure Account	3,000	5,000
	<u>353,000</u>	<u>293,000</u>

No other services were provided by the Australian National Audit Office.

Note 15 - Average Staffing Levels

	2002	2001
The average staffing level for the department during the year were:	<u>893</u>	<u>1,014</u>

Note 16 - Act of Grace Payments, Waivers and Defective Administration Scheme

No 'Act of Grace' payments were made during either reporting period.

No waivers of amounts owing to the Commonwealth were made pursuant to Subsection 34(1) of the *Financial Management and Accountability Act 1997*.

No payments were made under the 'Defective Administration Scheme' during either reporting period.

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

Note 17 - Financial Instruments			
<u>Note 17A - Terms, Conditions and Accounting Policies</u>			
Financial Instrument	Notes	Accounting Policies and Methods (including recognition criteria and measurement basis)	Nature of Underlying Instrument (including significant terms & conditions affecting the amount, timing and certainty of cash flows)
<i>Financial Assets</i>		Financial assets are recognised when control over future economic benefits is established and the amount of the benefits can be reliably measured.	
Cash	6A	Cash is recognised at its nominal amount. Any interest is credited as revenue when it is earned.	Cash held within the Official Public Account (OPA) earns interest at a rate derived by Finance, based on cash rates paid by the RBA. The effective rate during 2001-02 was on average 2% per annum. (2000-01 : 2%)
Term Deposit	6C	The term deposit is recognised at cost. Interest is credited to revenue as it is earned.	The deposits are with approved deposit funds including Finance and the RBA, invested for terms with an average of 7 days at 4.4% per annum.
Receivables for goods and services	6B	These receivables are recognised at the nominal amounts due less a provision for doubtful debts. Collectibility of debts is reviewed at balance date. Provisions are made when collection of the debt is judged to be less rather than more likely.	Credit terms are net 30 days (2000-01 : 30 days).
Accrued revenue	6D	Accrued revenue is recognised when a service has been provided but billing has not yet occurred.	As for receivables for goods and services once billed.
<i>Financial Liabilities</i>		Financial Liabilities are recognised when a present obligation to another party is entered into and the amount of the liability can be reliably measured.	
Finance lease liabilities	8	Liabilities are recognised at the present value of the minimum lease payments. The discount rates used are estimates of the interest rates implicit in the lease.	At reporting date, the Department had finance leases with the interest rate implicit in the leases averaging 11% (2001: 11%). The lease assets secure the lease liabilities.

Note 17A - Terms, Conditions and Accounting Policies

Financial Instrument	Notes	Accounting Policies and Methods (including recognition criteria and measurement basis)	Nature of Underlying Instrument (including significant terms & conditions affecting the amount, timing and certainty of cash flows)
Payables - goods and services	10A	Payables are recognised at their nominal amounts, being the amounts at which the liabilities will be settled. Liabilities are recognised to the extent that the goods and services have been received (and irrespective of having been invoiced).	Settlement is usually made net 30 days.
Grants liabilities	10B	In 2001-02 grants made by the Department were recognised as liabilities and expenses only at the time that the grantee had met all obligations and conditions implicit in the grant agreement.	The Department approves applications for grants based on application merits and selection criteria. Grant payments are made in accordance with the grant agreement. The timing of the payments is based on the nature of the project to which the grant is to be put towards and can be subject to the grantee fulfilling requirements relating to the project.

Note 17 - Financial Instruments

17B - Interest Rate Risk

Financial Instrument	Notes	Floating Interest Rate		Fixed Interest Rate						Non-Interest Bearing		Total		Weighted Average Effective Interest Rate	
		1 year or less		1 to 2 years		2 to 5 years		> 5 years							
		2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 %	2001 %
Financial Assets															
Cash	6A	17,637	17,305	-	-	-	-	-	-	5	162	17,642	17,467	2	2.0
Receivables - Goods and Services	6B	-	-	356	-	356	-	357	-	11,675	12,943	11,675	14,012	N/A	3.0
Investment - Term Deposit	6C	-	-	20,813	1,536	-	-	-	-	-	-	20,813	1,536	4.4	5.6
Accrued Revenue	6D	-	-	-	-	-	-	-	-	793	311	-	793	N/A	N/A
Other Financial Assets	6E	-	-	-	-	-	-	-	-	10	-	10	-	N/A	N/A
Total		17,637	17,305	20,813	1,892	-	356	357	-	12,483	13,416	50,933	33,326		
Total Assets												341,239	289,108		
Financial Liabilities															
Finance Lease Liability	8	-	-	22	20	25	22	53	-	-	-	75	95	11.6	11.9
Payables and provisions - Goods and Services	10A	-	-	-	-	-	-	-	-	3,699	2,374	3,699	2,374	N/A	N/A
Payables and provisions - Grants	10B	-	-	-	-	-	-	-	-	-	77	-	77	N/A	N/A
Payables and provisions - Other	10C	-	-	-	-	-	-	-	-	6,388	10,024	6,388	10,024	N/A	N/A
Total		-	-	22	20	25	22	53	-	10,087	12,475	10,162	12,570		
Total Liabilities												26,992	31,737		
Unrecognised Indemnity		-	-	-	-	-	-	-	-	-	186	-	186	N/A	N/A

(1) Prior year comparatives have been reclassified.

(2) Prior year comparatives have been included to complement current year information.

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

Note 17 - Financial Instruments

Note 17C - Net Fair Values of Agency Financial Assets and Liabilities

		2002		2001	
	Note	Total Carrying \$'000	Aggregate Net Fair \$'000	Total Carrying \$'000	Aggregate Net Fair \$'000
Departmental Financial Assets					
Cash	6A	17,642	17,642	17,467	17,467
Receivables - Goods and Services (net)	6B	11,675	11,675	14,012	14,012
Investment - Term Deposit	6C	20,813	20,813	1,536	1,536
Accrued Revenue	6D	793	793	311	311
Other Finance Assets	6E	10	10	-	-
Total Financial Assets		50,933	50,933	33,326	33,326
Financial Liabilities (Recognised)					
Finance Lease Liability	8	75	75	95	95
Payables and provisions - Goods and Services	10A	3,699	3,699	2,374	2,374
Payables and provisions - Grants	10B	-	-	77	77
Payables and provisions - Other	10C	6,388	6,388	10,024	10,024
Total Financial Liabilities (Recognised)		10,162	10,162	12,570	12,570
Financial Liabilities (Unrecognised)					
Indemnities		-	-	186	186
Total Financial Liabilities (Unrecognised)		-	-	186	186

Financial assets

The net fair values of cash and non-interest bearing monetary financial assets approximate their carrying amounts.

Financial liabilities

The net fair values of the finance leases are based on discounted cash flows using current interest rates for liabilities with similar risk profiles. The net fair values of trade creditors approximate their carrying amounts.

The net fair value of indemnities are regarded at the maximum possible loss, which the Commonwealth faces while the indemnity remains current.

Note 17D - Credit Risk Exposures

The Department's maximum exposure to credit risk at reporting date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Statement of Financial Performance.

The Department has no significant exposures to any concentrations of credit risk.

All figures for credit risk referred to do not take into account the value of any collateral or other security.

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

Note 18 - Administered Items

Note 18A - Revenues Administered on Behalf of Government
for the year ended 30 June 2002

	2002	2001
	\$'000	\$'000
Revenues		
Dividends		
Telstra Dividends	1,418,166	1,160,469
Australia Post Dividends	368,000	162,000
Total	1,786,166	1,322,469
Other revenue		
Universal Service Obligation Levy	67,610	116,929
National Relay Service Levy	12,714	11,996
Other Revenue	46,665	75,191
Total	126,989	204,116
Total Revenues Administered on Behalf of Government	1,913,155	1,526,585

Note 18B - Expenses Administered on Behalf of Government
for the year ended 30 June 2002

	2002	2001
	\$'000	\$'000
Expenses		
Grants		
Grants to non-profit institutions	53,633	59,082
Grants to Commonwealth entities	76,362	108,020
Grants to State and Territory governments	73,597	62,659
Grants to local government	30,483	21,834
Grants to other entities	90,158	50,251
Total	324,233	301,846

The nature of grants are as follows:

Compensation to SITA	2,310	1,672
Contemporary Music package	-	1,609
Cooma Call & Technology Centre	7	315
Cultural Development Program	32,033	87,798
National Cultural Heritage	117	251
Local Government Fund	21,509	3,140
Radio for Print Handicapped	-	361
Building Additional Rural Networks	9,784	1,804
St John's Cathedral Completion Fund	-	2,000
Telecommunication Needs of Remote Island Communities	1,565	-
Television Fund	5,835	6,610
Federation Fund	65,380	92,966
Australian Film Finance Corporation Ltd	50,000	48,015
Regional Telecommunications Infrastructure Fund	49,153	42,133
National Transmission Network	1,232	3,577
Contributions to International Organisations (ITU/APT)	48	145
Building IT Strengths	64,605	6,000
Rural Internet Access	301	-
Extension of Mobile Phones on Highways	44	-
Hall of Fame	1,000	-
Digital Interference Subsidy	126	-
Foot and Mouth Prevention	5,904	-
Sports and Recreation	1,485	-
Launceston Broadband Project	2,940	3,450
Telecommunication Service Inquiry Implementation	8,855	-
Total	324,233	301,846

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

Subsidies

Mobile Phones along Highways	5,585	-
Remote Area Broadcasting	-	18
	<u>5,585</u>	<u>18</u>

Suppliers

Supply of goods and services	<u>8,132</u>	<u>29</u>
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Depreciation and Amortisation

Buildings	3,805	2,491
Heritage assets	109	47
Amortisation - Investment Purchase Premium	<u>607</u>	<u>-</u>

Total

<u>4,521</u>	<u>2,538</u>
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Write-down of assets

Non-financial assets - Infrastructure, Plant & Equipment	<u>-</u>	<u>3,547</u>
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Other

International membership fees	5,545	5,062
Universal Service Obligation	67,610	116,929
National Relay Service	12,614	11,996
Public Lending Rights / Education Lending Rights Schemes	14,477	13,305
Untimed Local Calls	80,000	15,000
Transfer of Acton Peninsula Project	-	143,257
Telecommunication Service Inquiry - Internet Assistance	3,965	-
Other Goods and services	<u>2</u>	<u>-</u>
	<u>184,213</u>	<u>305,549</u>

Total Expenses Administered on Behalf of Government

<u>526,683</u>	<u>613,527</u>
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Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

Note 18C - Assets Administered on Behalf of Government
as at 30 June 2002

	Notes	2002 \$'000	2001 \$'000
Financial Assets			
Cash			
Cash at Bank		524	487
Receivables			
Goods and Services		100	-
Goods and Services Tax		8,384	5,872
Other accrued revenue		765	-
Other		-	305
<i>Less: Provision for doubtful debts</i>		(100)	-
Total		9,149	6,177
Receivables (gross) are aged as follows:			
Not overdue		9,149	3,892
Overdue by:			
Less than 30 days		-	2,285
30 to 60 days		-	-
60 to 90 days		-	-
More than 90 days		-	-
Total receivables (gross)		9,149	6,177
Investments			
<i>Investments of Special Accounts</i>			
Fixed Coupon Bonds		50,000	-
Bank Accepted Commercial Bills		5,922	-
On call account		146	-
		56,068	-
<i>Investments in Portfolio Agencies</i>			
Commonwealth authorities			
A - Australia Council		7,701	7,701
B - Australian Broadcasting Authority		271	271
C - Australian Broadcasting Corporation & controlled entities		377,958	363,358
D - Australian Communications Authority		11,347	11,347
E - Australian Film Commission		5,905	5,905
F - Australian Film, Television & Radio School		24,221	24,221
G - Australian National Maritime Museum		16,375	16,375
H - National Gallery of Australia & controlled entity		246,967	242,967
I - National Library of Australia		150,681	149,651
J - National Museum of Australia		6	6
K - Special Broadcasting Service Corporation & controlled entity		54,135	46,135
L - Australian Sports Commission		107,092	-
M - Australian Sports Drug Agency		193	-
		1,002,852	867,937
Commonwealth companies			
N - Australian Film Finance Corporation Ltd		66,530	66,530
O - Australian Business Arts Foundation Ltd		1,166	1,166
P - Australian Postal Corporation		855,500	855,500
Q - Bundanon Trust		18,772	18,772
R - Film Australia Ltd		13,921	13,921
S - Telstra Corporation Ltd ^(a)		4,952,886	4,952,886
		5,908,775	5,908,775
Total for investments		6,967,695	6,776,712
(a) The market value of the share holding is estimated to be \$30.04 billion as at 30th June 2002 (\$34.68 billion 2000-01).			
Other financial assets		436	-
Total		436	-
Total financial assets		6,977,804	6,783,376

Department of Communications, Information Technology and the Arts
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Note 18C - Assets Administered on Behalf of Government
as at 30 June 2002

	2002	2001
	\$'000	\$'000
Non-financial Assets		
Land and Buildings		
Building - Old Parliament House - as at 30 June 2001	80,171	80,171
Accumulated depreciation	(52,745)	(52,041)
	27,426	28,130
Building - Australian Federation Centre - at cost	6,472	-
Accumulated depreciation	-	-
	6,472	-
Building - National Institute of Dramatic Art - as at 30 June 2002	57,845	16,508
Accumulated depreciation	(4,640)	(1,743)
	53,205	14,765
Building - National Museum of Australia -at cost	9,661	-
Accumulated depreciation	(386)	-
	9,275	-
Assets under construction - Acton Peninsula Development	-	9,661
Assets under construction - Australian Federation Centre	-	4,870
Assets under construction - National Institute of Dramatic Art	-	13,943
Total	96,378	71,369
Infrastructure, Plant and Equipment		
Heritage Collections - at valuation years	9,765	12,398
Accumulated depreciation	(6,424)	(8,048)
Total	3,341	4,350
Other Non-Financial Assets		
Prepayments	2,823	11,691
Total Assets Administered on Behalf of Government	7,080,346	6,870,786

Department of Communications, Information Technology and the Arts
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<u>Note 18D - Liabilities Administered on Behalf of Government</u> <u>as at 30 June 2002</u>	2002 \$'000	2001 \$'000
Current Liabilities		
Payables		
Suppliers		
Trade creditors	37	86
Other creditors	2,178	250
Accrued expenses	61	-
Total	2,276	336
Grants		
State and Territory governments	160	98
Local government	125	700
Private sector	-	10
Non-profit institutions	1,622	295
Other	(81)	-
Total	1,826	1,103
Other		
Retention monies for Acton Peninsula Project	1,227	2,676
GST payable	2,462	5,872
Other	-	621
Total	3,689	9,169
Non-Current Payables		
National Australia Day Council	-	74
Total Payables	7,791	10,682
Total Liabilities Administered on Behalf of Government	7,791	10,682

All current liabilities are expected to be settled within 12 months of balance date.

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF the FINANCIAL STATEMENTS
for the year ended 30 June 2002

<u>Note 18E - Administered Cash Flows</u>	2002	2001
<i>for the year ended 30 June 2002</i>		
	<u>\$'000</u>	<u>\$'000</u>
OPERATING ACTIVITIES		
Cash received		
Dividends	1,786,166	1,322,469
Cash from Official Public Account	486,083	499,623
Grants received	-	48,243
GST refunds	26,909	15,742
Interest	3,925	-
Sales of goods and services	-	-
Other	89,386	187,299
Total cash received	<u>2,392,469</u>	<u>2,073,376</u>
Cash used		
Subsidies	(6,144)	(18)
Suppliers	(7,069)	(10,719)
Grants	(337,015)	(362,900)
Cash to Official Public Account	(1,786,167)	(1,322,693)
Other	(199,253)	(307,071)
Total cash used	<u>(2,335,648)</u>	<u>(2,003,401)</u>
Net cash from/(used by) operating activities	<u>56,821</u>	<u>69,975</u>
INVESTING ACTIVITIES		
Cash used		
Purchase of property, plant and equipment	(5,053)	(29,924)
Purchase of investments	(56,068)	(49,596)
Purchase of investments	(1,042)	-
Total cash used	<u>(62,163)</u>	<u>(79,520)</u>
Net cash from/(used by) investing activities	<u>(62,163)</u>	<u>(79,520)</u>
FINANCING ACTIVITIES		
Cash received		
GST appropriations	29,421	21,402
Proceeds from equity injection	3,168	1,237
Total cash received	<u>32,589</u>	<u>22,639</u>
Cash used		
Return of GST appropriations to OPA	(26,959)	(15,594)
Other	(250)	-
Total cash used	<u>(27,209)</u>	<u>(15,594)</u>
Net cash from /(used by) financing activities	<u>5,380</u>	<u>7,045</u>
Net increase/ (decrease) in cash held	<u>37</u>	<u>(2,500)</u>
Cash at the beginning of the reporting period	487	2,987
Cash at the end of the reporting period	<u>524</u>	<u>487</u>

Department of Communications, Information Technology and the Arts
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<u>Note 18F - Administered Commitments</u> <u>as at 30 June 2002</u>	2002 \$'000	2001 \$'000
BY TYPE		
CAPITAL COMMITMENTS		
Buildings ⁽¹⁾	1,669	4,738
Infrastructure, plant and equipment ⁽²⁾	82	624
Other capital commitments ⁽³⁾	1,006	1,300
Total capital commitments	2,757	6,662
OTHER COMMITMENTS		
Project commitments ⁽⁴⁾	208,783	292,166
Research and development	-	18
Other commitments ⁽⁵⁾	92,092	13,091
Total other commitments	300,875	305,275
COMMITMENTS RECEIVABLE		
GST on Commitments	-	(27,421)
Total commitments receivable	-	(27,421)
Net commitments	303,632	284,516
BY MATURITY		
All net commitments		
One year or less	221,327	259,209
From one to five years	82,305	25,307
Over five years	-	-
Net commitments	303,632	284,516

- (1) Outstanding contractual payments for building under construction for the Acton Peninsula project.
- (2) Infrastructure, plant and equipment commitments relate to refurbishment commitments at Old Parliament House.
- (3) Other capital commitments relate to Acton Peninsula Project.
- (4) Project commitments largely relate to Federal funding of various art projects.
- (5) Other commitments relate to other funding of the TeleCommunications Division.

NB: All 2001-02 commitments are GST inclusive where relevant.

Department of Communications, Information Technology and the Arts
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	2002	2001
	\$'000	\$'000
<u>Note 18G - Administered Contingencies</u> <u>as at 30 June 2002</u>		
CONTINGENT LOSSES		
Other guarantees	260	215
Indemnities ⁽¹⁾	379,611	1,495,425
Claims for damages/costs	118	-
Total contingent losses	<u>379,989</u>	<u>1,495,640</u>
CONTINGENT GAINS	-	-
Net Contingencies	<u>379,989</u>	<u>1,495,640</u>

(1) Commonwealth indemnity of art exhibitions. Of this amount, approximately \$372.4m is subject to variation due to exchange rate.

UNQUANTIFIABLE ADMINISTERED CONTINGENCIES

There were no unquantifiable administered contingencies at 30 June 2002.

Note 18H - Administered Remote Contingencies
as at 30 June 2002

The following borrowings have been guaranteed / indemnified by the Commonwealth in respect of entities within the Communications, Information Technology and the Arts portfolio:

Superannuation guarantee for Government Business Enterprises ⁽¹⁾	-	940,000
Sub total	-	940,000
Other Guarantees		
ABC Corporate Loan - Japanese Yen 3,000,000,000 (maturity 29/05/04)	40,000	40,000
SBS Corporate Loan (maturity 31/03/02) ⁽²⁾	-	39,000
ABC Inscribed Stock (maturity 1/03/03)	50,000	50,000
Sub total	<u>90,000</u>	<u>129,000</u>
Indemnity over Optus Communications Promissory Note ⁽³⁾	-	300,000
Total Remote Contingencies	<u>90,000</u>	<u>1,369,000</u>

(1) Arrangements have been made for Telstra to enter into a Funding Deed with Telstra Super Pty Ltd, removing the need for a Commonwealth guarantee.

(2) SBS Corporate Levy matured.

(3) Promissory Notes have expired.

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

Note 18I - Investments
as at 30 June 2002

Ownership %		Principal Activity
100	A	Australia Council - Provides advice and support for artistic practice of individuals and companies. Encourages all Australian people, communities, institutions in cultural activities. Incorporated in Australia.
100	B	Australian Broadcasting Authority - Facilitates an accessible, diverse and responsible broadcasting industry. Incorporated in Australia.
100	C	Australian Broadcasting Corporation - National broadcaster, contributing to and reflecting Australia's culture. Incorporated in Australia.
100	D	Australian Communications Authority - Contributes to an efficient, competitive and self regulated communications sector. Incorporated in Australia.
100	E	Australian Film Commission - Development of an internationally competitive Australian screen industry. Incorporated in Australia.
100	F	Australian Film, Television and Radio School - Provides advanced education and training programs for Australian media industry. Incorporated in Australia.
100	G	Australian National Maritime Museum - Acquires, researches, conserves and presents relevant material to Australia's maritime heritage. Incorporated in Australia.
100	H	National Gallery of Australia and controlled entity - Provides access to works of art and information about them locally, nationally and internationally. Incorporated in Australia.
100	I	National Library of Australia - Provides a comprehensive collection of Australian library material and international documentary resources. Incorporated in Australia.
100	J	National Museum of Australia - Provides Australian's accessibility to Australian historical collections and public programs to develop Australia's history and culture. Incorporated in Australia.
100	K	Special Broadcasting Service Corporation and controlled entity - Provides multilingual and multicultural services that inform, educate and entertain. Promotes Australia's multicultural society. Incorporated in Australia.
100	L	Australian Sports Commission - Provides national leadership in all facets of sport development, through National Sporting Organisations, government, the private sector, schools and the wider community.
100	M	Australian Sports Drug Agency - Provides an independent, high quality and accessible anti-doping program to enable Australian sport to deter athletes from banned doping practices.
100	N	Australian Film Finance Corporation Ltd - Provides financial support to the Australian film and television production industry. Incorporated in Australia.
100	O	Australian Business Arts Foundation Ltd (formerly Australian Foundation for Culture & Humanities Ltd) - Established to encourage private sector cultural sponsorship and philanthropy. Incorporated in Australia.
100	P	Australian Postal Corporation - Provides a national and international postal and parcel service. Incorporated in Australia.
100	Q	Bundanon Trust - A Trust established to manage and develop properties at Bundanon NSW as a living art center. Incorporated in Australia.
100	R	Film Australia Ltd - Distributes and markets films and, in particular, produces programs of national interest. Incorporated in Australia.
51	S	Telstra Corporation Ltd - Provides a national and international telecommunication service. Incorporated in Australia.

Department of Communications, Information Technology and the Arts
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for the year ended 30 June 2002

Note 18J - Administered Financial Instruments

(a) Terms, Conditions and Accounting Policies

Financial Instrument	Notes	Accounting Policies and Methods	Nature of underlying instrument
Financial Assets (Recognised):		Financial assets are recognised when control over future economic benefits is established and the amount of the benefits can be reliably measured.	
Cash	18C	Cash is recognised at its nominal amount.	The balance of the administered cash account is non-interest bearing.
Receivables - goods and services	18C	These receivables are recognised at the nominal amounts due less a provision for doubtful debts.	Credit terms are net 30 days (2000-01 : 30 days).
Investments - Special Accounts	18C	Investments of special account balances are valued at purchase price (excluding any accrued interest and purchase premium).	Fixed coupon bonds, bank accepted commercial bills and on-call deposits held with banks.
Investments - Portfolio Agencies	18C	These investments are valued at the proportion of the net asset figure from each Agency's balance sheet as at 30 June 1997, owned by the Commonwealth and adjusted for equity contributions since that date, in accordance with Finance Minister's Orders 17 Administered Investments in Controlled Entities.	
Accrued revenue	18C	Accrued revenue is recognised when a service has been provided but billing has not yet occurred.	As for receivables for goods and services once billed.
Financial Liabilities		Financial Liabilities are recognised when a present obligation to another party is entered into and the amount of the liability can be reliably measured.	
Payables	18D	Payables are recognised at their nominal amounts, being the amounts at which the liabilities will be settled. Liabilities are recognised to the extent that the goods and services have been received (and irrespective of having been invoiced).	Settlement is usually made net 30 days.

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

(a) Terms, Conditions and Accounting Policies (cont)

Financial Instrument	Notes	Accounting Policies and Methods	Nature of underlying instrument
Grants liabilities	18D	In 2000-2001 grants made by the Department are recognised as liabilities and expenses only at the time that the grantee has met all obligations and conditions implicit in the grant agreement.	The Department approves applications for grants based on application merits and selection criteria. Grant payments are made in accordance with the grant agreement. The timing of the payments is based on the nature of the project to which the grant is to be put towards and can be subject to the grantee fulfilling requirements relating to the project.
<i>Unrecognised Financial Liabilities</i>			
Other financial guarantees	18G 18H	The amounts guaranteed by the Commonwealth have been disclosed in the Schedule of Contingencies and in note 18H & 18G, the Schedule of Remote Contingencies. At the time of completion of the financial statements, there was no reason to believe that the guarantee would be called upon, and recognition as the liabilities was therefore not required.	The guarantees are over borrowings of the Australian Broadcasting Corporation and the Special Broadcasting Service Corporation. The borrowings are at interest rates of 10.9% per annum (2000-2001: 9.9% per annum). The borrowing will mature between July 1999 and May 2004.
Indemnities	18G	The maximum amount payable under the indemnities given is disclosed in the Schedule of Contingencies and in note 37, the Schedule of Remote Contingencies. At the time of completion of the financial statements, there was no reason to believe that the indemnities would be called upon, and recognition as the liability was therefore not required.	The Commonwealth indemnifies owners and promoters of exhibits against loss or damage of cultural objects loaned for display in approved exhibitions.

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

Note 181 - Administered Financial Instruments

(b) Interest Rate Risk

Financial Instrument	Notes	Floating Interest Rate		Fixed Interest Rate						Non-Interest Bearing		Total		Weighted Average Effective Interest Rate	
		1 year or less		1 to 2 years		2 to 5 years		≥ 5 years							
		2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 %	2001 %
Financial Assets															
Cash	18C	524	487	-	-	-	-	-	-	-	-	524	487	2%	2%
Receivables - Goods and Services	18C	-	-	-	-	-	-	-	-	-	-	8,384	6,177	N/A	N/A
Investments	18C	146	-	-	-	-	-	-	-	-	-	6,911,627	6,776,712	0.05	N/A
Accrued Revenue	18C	-	-	55,922	-	-	-	-	-	-	-	765	-	N/A	N/A
Other financial assets	18C	-	-	-	-	-	-	-	-	-	-	456	-	N/A	N/A
Total		670	487	55,922	-	-	-	-	-	-	-	6,921,212	6,782,889		
Total Assets												6,977,804	6,783,376		
Financial Liability															
Payables and provisions - Goods and Services	18D	-	-	-	-	-	-	-	-	-	-	2,216	87	N/A	N/A
Payables and provisions - Grants	18D	-	-	-	-	-	-	-	-	-	-	1,824	1,102	N/A	N/A
Payables and provisions - Other	18D	-	-	-	-	-	-	-	-	-	-	1,288	3,297	N/A	N/A
Total		-	-	-	-	-	-	-	-	-	-	5,328	4,486		
Total Liabilities												7,791	10,682		
Liabilities Not Recognised															
Guarantees to Public Trading Enterprises	18H	-	-	-	-	-	-	-	-	-	-	-	940,000	0.0%	0.0%
Guarantees - Borrowings	18H	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	0.0%
Other guarantees	18H	50,000	50,000	-	-	-	-	40,000	40,000	-	-	90,000	129,215	5.9%	10.9%
Commonwealth indemnity of art exhibitions	18H	-	-	-	-	-	-	-	-	-	-	-	1,495,425	0.0%	0.0%
Other indemnities	18H	-	-	-	-	-	-	-	-	-	-	-	300,000	0.0%	0.0%
Total Financial Liabilities (Unrecognised)		50,000	50,000	-	-	-	-	40,000	40,000	-	-	90,000	2,864,640		

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

Note 18J - Administered Financial Instrument:

(c) Net Fair Values of Administered Financial Assets and Liabilities

		2002		2001	
	Note	Total carrying amount \$'000	Aggregate net fair value \$'000	Total carrying amount \$'000	Aggregate net fair value \$'000
Administered Financial Assets					
Cash	18C	524	524	487	487
Receivables - Goods and Service	18C	8,384	8,384	6,177	6,177
Investments	18C	6,967,695	6,967,695	6,776,712	6,776,712
Accrued Revenue	18C	765	765	-	-
Other Financial Assets	18C	436	436	-	-
Total Financial Assets		6,977,804	6,977,804	6,783,376	6,783,376
Financial Liabilities (Recognised)					
Payables and provisions - Goods and Service	18D	2,276	2,276	336	336
Payables and provisions - Grants	18D	1,826	1,826	1,103	1,103
Payables and provisions - Others	18D	3,689	3,689	9,243	9,243
Total Financial Liabilities (Recognised)		7,791	7,791	10,682	10,682
Financial Liabilities (Unrecognised)					
Guarantees to Public Trading Enterprises		-	-	940,000	940,000
Guarantees - Borrowings		90,000	90,000	129,000	129,000
Other guarantees*		-	-	215	215
Commonwealth indemnity of art exhibitions¹		-	-	1,495,425	1,495,425
Other indemnities		-	-	300,000	300,000
Total Financial Liabilities (Unrecognised)		90,000	90,000	2,864,640	2,864,640

Financial Assets

The net fair values of cash and non-interest bearing monetary financial assets approximate their carrying amount

Financial Liabilities

The net fair values of the guarantees are based on discounted cash flows using current interest rates for liabilities with similar risk profiles. The net fair values of trade creditors approximate their carrying amount:

The net fair values of indemnities are regarded as the maximum possible loss which the Commonwealth faces while the indemnity remains current

* Schedule of Administered Remote Contingencies

Department of Communications, Information Technology and the Arts
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for the year ended 30 June 2002

Note 19 - Appropriations

Note 19A - Appropriation Acts (No. 1/3) 2001-2002

Particulars	Administered Expenses			Departmental Outputs	Total
	Outcome 1	Outcome 2	Outcome 5		
Year ended 30 June 2002	\$	\$	\$	\$	\$
Balance carried from previous year	3,082,347	4,626,744	-	15,005,220	22,714,311
Appropriation for reporting period (Act 1)	86,024,000	180,191,000	3,700,000	164,476,000	434,391,000
Appropriation for reporting period (Act 3)	3,533,000	9,002,000	-	3,985,000	16,520,000
Adjustment determined by Finance Minister	-	-	-	-	-
Amounts from Advance to the Finance Minister	-	-	-	-	-
Amounts from Comcover receipts	-	-	-	-	-
Refund credited (FMA s 30)	-	-	-	-	-
GST credits (FMA s30A)	9,844,163	19,577,404	-	5,296,880	34,718,448
Annotations to 'net appropriations' (FMA s 31)	-	-	-	37,120,474	37,120,474
Other annotations	-	-	-	11,984,000	11,984,000
Transfer to/from other agencies (FMA s 32)	1,222,000	-	(3,700,000)	(24,108,401)	(26,586,401)
Administered expenses lapsed (expended)	-	(34,127,254)	-	-	(34,127,254)
Available for payments	103,705,510	179,269,894	-	213,759,173	496,734,578
Payments made	(97,104,119)	(173,981,174)	-	(181,506,679)	(452,591,972)
Balance carried to next year	6,601,391	5,288,720	-	32,252,494	44,142,606
Year ended 30 June 2001					
Available for payments 2001	148,471,849	76,258,070	-	244,330,700	469,060,619
Payments made 2001	(145,389,502)	(71,631,326)	-	(229,325,480)	(446,346,308)
Balance carried forward to 1 July 2001	3,082,347	4,626,744	-	15,005,220	22,714,311

FMA = Financial Management and Accountability Act 1997

Act 1 = Appropriation Act (No.1) 2001-2002

Act 3 = Appropriation Act (No.3) 2001-2002

Department of Communications, Information Technology and the Arts
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for the year ended 30 June 2002

Note 19B - Appropriation Acts (No. 2/4) 2001-2002

Particulars	Outcome 1		Administered Outcome 2		Outcome 5		Capital			Total
	SPPs	Other	SPPs	Other	SPPs	Other	Equity	Loans	Carry-overs	Admin
Year ended 30 June 2002										
Balance carried from previous year		\$ -		\$ -		\$ -				\$ 3,167,595
Appropriation for reporting period (Act 2)		-		-		-				-
Appropriation for reporting period (Act 4)		-		20,000,000		-				1,142,000
Adjustment determined by Finance Minister		-		-		-				1,600,000
Amounts from Advance to the Finance Minister		-		-		-				-
Amounts from Concover receipts		-		-		-				-
Refund credited (FMA s 30)		-		-		-				-
GST credits (FMA s30A)		-		-		-				-
Annotations to 'net appropriations' (FMA s 31)		-		-		-				-
Other annotations		-		-		-				-
Transfer to/from other agencies (FMA s 32)		-		-		-				-
Administered expenses lapsed under determination		-		-		-				-
Available for payments		-		20,000,000		-				2,742,000
Payments made		-		(20,000,000)		-				(1,142,000)
Balance carried to next year		-		-		-				1,600,000
Year ended 30 June 2001										
Available for payments 2001	400,000									1,848,000
Payments made 2001	(400,000)									(1,848,000)
Balance carried forward to 1 July 2001	-									-

Act 2 = Appropriations Act (No.2) 2001-2002
Act 4 = Appropriations Act (No.4) 2001-2002

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2002

Note 19C - Special Appropriations (Limited Amount)

Particulars	Administered						Departmental		Capital		Total	
	Outcome 1		Outcome 2		Outcome 5		Outputs					
Appropriation (Supplementary Measures) Act (No. 1) - Book Industry Assistance Package	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance carried from previous period	-	-	-	-	-	-	93,732	-	-	-	93,732	0
Appropriation for reporting period	8,370,000	7,391,000	-	-	-	-	2,930,000	2,860,000	-	-	11,300,000	10,251,000
GST credits (FMA s30A)	80	-	-	-	-	-	-	-	-	-	80	-
Other annotations	-	-	-	-	-	-	-	-	-	-	-	-
Available for payments	8,370,080	7,391,000	-	-	-	-	3,023,732	2,860,000	-	-	11,393,812	10,251,000
Payments made	(8,357,289)	(7,391,000)	-	-	-	-	(2,831,621)	(2,766,268)	-	-	(11,188,910)	(10,157,268)
Balance carried to next period	12,791	-	-	-	-	-	192,111	93,732	-	-	204,902	93,732

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for the period ended 30 June 2002

Note 19D - Special Accounts

Particulars	Administered Account 1		Departmental				Total	
	Account 1		Outputs		Capital			
	2002	2001	2002	2001	2002	2001	2002	2001
	\$	\$	\$	\$	\$	\$	\$	\$
Artbank Business Operations Accounts <i>Legal Authority: Financial Management and Accountability Act 1997, section 20.</i> <i>Purpose : for payment on program and operations of Artbank.</i>								
Balance carried from previous year			1,469,439	1,496,037			1,469,439	1,496,037
Appropriations for reporting period				-			-	-
Receipts from other sources			2,939,097	2,036,062			2,939,097	2,036,062
Refunds credited (FMA s30)							-	-
GST credits (FMA s30A)							-	-
Available for payments	-	-	4,408,536	3,532,099	-	-	4,408,536	3,532,099
Payments made			(2,624,232)	(2,062,660)			(2,624,232)	(2,062,660)
Balance carried to next year	-	-	1,784,304	1,469,439	-	-	1,784,304	1,469,439
ScreenSound Australia Account <i>Legal Authority: Financial Management and Accountability Act 1997, section 20.</i> <i>Purpose : for payments and investment of donations received in connection with the activities of ScreenSound Australia.</i>								
Balance carried from previous year	-		408,318	572,111			408,318	572,111
Appropriations for reporting period							-	-
Receipts from other sources			17,530	76,469			17,530	76,469
Refunds credited (FMA s30)							-	-
GST credits (FMA s30A)							-	-
Available for payments	-	-	425,848	648,580	-	-	425,848	648,580
Payments made			(22,058)	(240,262)			(22,058)	(240,262)
Balance carried to next year	-	-	403,790	408,318	-	-	403,790	408,318

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the period ended 30 June 2002

Note 19D - Special Accounts (cont)

Particulars	Administered		Departmental				Total	
	Account 1		Outputs		Capital			
	2002	2001	2002	2001	2002	2001	2002	2001
	\$	\$	\$	\$	\$	\$	\$	\$
National Science and Technology Centre Account								
<i>Legal Authority: Financial Management and Accountability Act 1997, section 20.</i>								
<i>Purpose : for payments from contributions and donations in accordance with their terms.</i>								
Balance carried from previous year	-	-	492,488	720,481	-	-	492,488	720,481
Appropriations for reporting period	-	-	-	-	-	-	-	-
Receipts from other sources	-	-	27,712	112,337	-	-	27,712	112,337
Refunds credited (FMA s30)	-	-	-	-	-	-	-	-
GST credits (FMA s30A)	-	-	-	-	-	-	-	-
Available for payments	-	-	520,200	832,818	-	-	520,200	832,818
Payments made	-	-	(262,410)	(340,330)	-	-	(262,410)	(340,330)
Balance carried to next year	-	-	257,790	492,488	-	-	257,790	492,488
Standing Committee on Recreation & Sport Consultant Account ⁽¹⁾								
<i>Legal Authority: Financial Management and Accountability Act 1997, section 20.</i>								
<i>Purpose : for the expenditure on pilot studies, specialist technical advice and programs and projects initiated by the Sport and recreation Ministers' Council and its subordinate body, the Standing Committee on recreation and sport, the cost of which will be met jointly by the Commonwealth, States and Territories.</i>								
Balance carried from previous year	-	-	-	-	-	-	-	-
Appropriations for reporting period	-	-	-	-	-	-	-	-
Receipts from other sources	-	-	417,025	-	-	-	417,025	-
Refunds credited (FMA s30)	-	-	-	-	-	-	-	-
GST credits (FMA s30A)	-	-	-	-	-	-	-	-
Available for payments	-	-	417,025	-	-	-	417,025	-
Payments made	-	-	(265,000)	-	-	-	(265,000)	-
Balance carried to next year	-	-	152,025	-	-	-	152,025	-

(1) This program was transferred, under AAOs November 2001, from the Department of Industry, Tourism and Resources

Department of Communications, Information Technology and the Arts
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Note 19D - Special Accounts (cont)

Particulars	Administered <i>Account 1</i>		Departmental				Total	
			Outputs		Capital			
	2002	2001	2002	2001	2002	2001	2002	2001
	\$	\$	\$	\$	\$	\$	\$	\$
Regional Telecommunications Infrastructure Account								
<i>Legal Authority: Financial Management and Accountability Act 1997, section 20.</i>								
<i>Purpose :</i> for payments on financial assistance for telecommunications related projects in regional areas.								
Balance carried from previous year	97,289,777	89,645,527					97,289,777	89,645,527
Appropriations for reporting period	48,270,816	48,540,000					48,270,816	48,540,000
Receipts from other sources							-	-
Refunds credited (FMA s30)							-	-
GST credits (FMA s30A)							-	-
Available for payments	145,560,593	138,185,527	-	-	-	-	145,560,593	138,185,527
Payments made	(60,568,482)	(40,895,750)					(60,568,482)	(40,895,750)
Balance carried to next year	84,992,111	97,289,777	-	-	-	-	84,992,111	97,289,777
Federation Fund Account								
<i>Legal Authority: Financial Management and Accountability Act 1997, section 20.</i>								
<i>Purpose :</i> for expenditure on substantial capital project throughout Australia which will mark the Centenary of Federation and make a significant and lasting contribution to the Australian community.								
Balance carried from previous year	111,315,182	297,263,097					111,315,182	297,263,097
Appropriations for reporting period	8,865,033						8,865,033	-
Receipts from other sources	-	22,508,000					-	22,508,000
Refunds credited (FMA s30)							-	-
GST credits (FMA s30A)							-	-
Available for payments	120,180,215	319,771,097	-	-	-	-	120,180,215	319,771,097
Payments made	(67,329,211)	(208,455,915)					(67,329,211)	(208,455,915)
Balance carried to next year	52,851,004	111,315,182	-	-	-	-	52,851,004	111,315,182

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Note 19D – Special Accounts (cont)

Particulars	Administered		Departmental				Total	
	Account 1		Outputs		Capital			
	2002	2001	2002	2001	2002	2001	2002	2001
	\$	\$	\$	\$	\$	\$	\$	\$
Other Trust Moneys Account								
<i>Legal Authority: Financial Management and Accountability Act 1997, section 20.</i>								
<i>Purpose</i> : for payments of monies temporarily held on trust or otherwise for the benefit of a person other than the Commonwealth.								
Balance carried from previous year	-	-					-	-
Appropriations for reporting period							-	-
Receipts from other sources	3,143,358	2,994,455					3,143,358	2,994,455
Refunds credited (FMA s30)							-	-
GST credits (FMA s30A)							-	-
Available for payments	3,143,358	2,994,455	-	-	-	-	3,143,358	2,994,455
Payments made	(3,143,358)	(2,994,455)					(3,143,358)	(2,994,455)
Balance carried to next year	-	-	-	-	-	-	-	-
National Relay Service								
<i>Legal Authority: Financial Management and Accountability Act 1997, section 21 and Telecommunications (Consumer Protection and Service Standards) Act 1999,</i>								
<i>Section 102.</i>								
<i>Purpose</i> : provision of telephone services to the hearing impaired.								
Balance carried from previous year	-	-					-	-
Appropriations for reporting period							-	-
Receipts from other sources	12,614,143	11,995,582					12,614,143	11,995,582
Refunds credited (FMA s30)							-	-
GST credits (FMA s30A)							-	-
Available for payments	12,614,143	11,995,582	-	-	-	-	12,614,143	11,995,582
Payments made	(12,614,143)	(11,995,582)					(12,614,143)	(11,995,582)
Balance carried to next year	-	-	-	-	-	-	-	-

Department of Communications, Information Technology and the Arts
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for the period ended 30 June 2002

Note 19D - Special Accounts (cont)

Particulars	Administered		Departmental				Total	
	Account 1		Outputs		Capital			
	2002	2001	2002	2001	2002	2001	2002	2001
	\$	\$	\$	\$	\$	\$	\$	\$
Television Fund Account								
<i>Legal Authority: Financial Management and Accountability Act 1997, section 21 and Telstra (Corporation) Act 1991, Section 63.</i>								
<i>Purpose: provide for extended and or improved television broadcast service coverage.</i>								
Balance carried from previous year	42,172,874	48,782,582					42,172,874	48,782,582
Appropriations for reporting period	-						-	-
Receipts from other sources							-	-
Refunds credited (FMA s30)							-	-
GST credits (FMA s30A)							-	-
Available for payments	42,172,874	48,782,582	-	-	-	-	42,172,874	48,782,582
Payments made	(7,384,989)	(6,609,708)					(7,384,989)	(6,609,708)
Balance carried to next year	34,787,885	42,172,874	-	-	-	-	34,787,885	42,172,874
Untimed Local Call Access Account								
<i>Legal Authority: Financial Management and Accountability Act 1997, section 21 and Telstra (Corporation) Act 1991, Section 52.</i>								
<i>Purpose: provide untimed local call access to people outside the standard zone and extend facilities to those within.</i>								
Balance carried from previous year	135,000,000	150,000,000					135,000,000	150,000,000
Appropriations for reporting period	-						-	-
Receipts from other sources	3,925,056						3,925,056	-
Refunds credited (FMA s30)							-	-
GST credits (FMA s30A)							-	-
Available for payments	138,925,056	150,000,000	-	-	-	-	138,925,056	150,000,000
Payments made	(82,857,293)	(15,000,000)					(82,857,293)	(15,000,000)
Balance carried to next year	56,067,763	135,000,000	-	-	-	-	56,067,763	135,000,000

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the period ended 30 June 2002

Note 19D - Special Accounts (cont)

Particulars	Administered <i>Account 1</i>		Departmental		Total	
			<i>Outputs</i>		<i>Capital</i>	
	2002	2001	2002	2001	2002	2001
	\$	\$	\$	\$	\$	\$
Universal Service Account						
<i>Legal Authority: Financial Management and Accountability Act 1997, section 21 and Telecommunications (Consumer Protection and Service Standards) Act 1999, Section 21.</i>						
<i>Purpose :</i> for collection of payments from telecommunications carriers required to contribute to the costs of providing universal service obligations.						
Balance carried from previous year	-	-				-
Appropriations for reporting period						-
Receipts from other sources	67,609,579	116,929,417			67,609,579	116,929,417
Refunds credited (FMA s30)						-
GST credits (FMA s30A)						-
Available for payments	67,609,579	116,929,417	-	-	67,609,579	116,929,417
Payments made	(67,609,579)	(116,929,417)			(67,609,579)	(116,929,417)
Balance carried to next year	-	-	-	-	-	-
National Cultural Heritage Account ⁽²⁾						
<i>Legal Authority: Financial Management and Accountability Act 1997, section 21 and Protection of Movable Cultural Heritage Act 1986, Section 25.</i>						
<i>Purpose :</i> provide for acquisition of Australian protected objects for display or safe-keeping.						
Balance carried from previous year	249,000	500,000			249,000	500,000
Appropriations for reporting period						-
Receipts from other sources						-
Refunds credited (FMA s30)						-
GST credits (FMA s30A)						-
Available for payments	249,000	500,000	-	-	249,000	500,000
Payments made	(116,750)	(251,000)			(116,750)	(251,000)
Balance carried to next year	132,250	249,000	-	-	132,250	249,000

(2) This program was transferred, under AAOs November 2001, to the Department of the Environment and Heritage

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

Note 20 - Reporting by Outcomes

Note 20A - Total Cost/Contribution of Outcomes (Whole of Government)

	Outcome 1		Outcome 2		Outcome 3		Outcome 4		Outcome 5		Total	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net taxation, fees and fines revenues	(19,384)	-	(1,893,771)	(61,235)	-	-	-	-	-	-	(1,913,155)	(61,235)
Other administered revenues												
Net subsidies, benefits and grants expenses	146,517	143,310	183,302	339,422	-	-	-	-	-	3,700	329,818	486,432
Other administered expenses	18,860	1,184	178,005	61,235	-	-	-	-	-	-	196,865	62,419
Net cost of departmental outputs	39,229	29,943	44,275	48,758	11,134	8,431	52,335	19,400	-	32,250	146,973	138,782
Cost of outcome before extraordinary items	185,222	174,437	(1,488,189)	388,180	11,134	8,431	52,335	19,400	-	35,950	(1,239,499)	626,398
Extraordinary items	-	-	-	-	-	-	-	-	-	-	-	-
Net Cost to Budget Outcome	185,222	174,437	(1,488,189)	388,180	11,134	8,431	52,335	19,400	-	35,950	(1,239,499)	626,398

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

Note 20B - Major Departmental Revenues and Expenses by Output Group

Major Agency Revenues & Expenses by Outcome

	Outcome 1		Outcome 2		Outcome 3		Outcome 4		Total	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
Operating revenues										
Revenues from government	43,338	52,554	51,864	74,817	12,309	9,632	40,939	40,242	148,450	177,245
Sale of goods and services	8,934	3,043	6,665	203	5,803	4,229	1,631	1,480	23,033	8,955
Other non-taxation revenues	6,696	708,688	3,202	6,017	2,466	1,400	6,381	4,973	18,745	721,078
Total operating revenues	58,968	764,285	61,731	81,037	20,578	15,261	48,951	46,695	190,228	907,278
Operating expenses										
Employees	17,862	16,575	22,821	35,814	5,949	5,006	10,744	10,997	57,376	68,392
Suppliers	28,749	35,525	18,529	21,352	7,181	5,466	6,516	5,107	60,976	67,450
Depreciation and amortisation	760	482	853	906	3,037	2,472	9,647	9,190	14,297	13,050
Grants	7,039	15,692	11,401	22,170	-	1,472	-	-	18,440	39,334
Other	615	52	694	795	3,252	-	33,455	2	38,016	849
Total operating expenses	55,025	68,326	54,298	81,037	19,419	14,416	60,362	25,296	189,105	189,075

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

Note 20C - Major Classes of Departmental Assets and Liabilities by Outcome

	Outcome 1		Outcome 2		Outcome 3		Outcome 4		Non-Attributable		Total	
	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Output specific departmental assets												
Goods and services receivable	-	-	-	-	383	223	498	117	3,317	8,976	4,198	9,316
Net GST receivable	-	-	-	-	-	87	47	55	626	2,056	673	2,198
Less: provision for doubtful debts	-	-	-	-	(13)	(4)	(15)	(15)	(971)	(7)	(999)	(26)
Land	-	-	-	-	-	-	2,850	2,520	-	-	2,850	2,520
Buildings	-	-	-	-	21,566	22,093	26,577	23,416	2,810	2,289	50,953	47,798
Plant and equipment	-	-	-	-	2,535	3,646	6,156	4,983	1,640	1,631	10,331	10,260
Internally developed software	-	-	-	-	-	-	487	263	1,075	777	1,562	1,040
Inventories held for sale	-	-	-	-	125	105	307	250	2,283	72	2,715	427
Total output specific departmental assets	-	-	-	-	24,596	26,150	36,907	31,589	10,780	15,794	72,283	73,533
Other departmental assets												
Cash at bank and on hand	-	-	-	-	3,910	2,704	4,830	3,311	8,554	11,451	17,294	17,466
Cash on deposit	-	-	-	-	257	-	91	-	-	-	348	-
Term deposits	-	-	-	-	-	-	313	336	20,500	1,200	20,813	1,536
Inventories not held for sale	-	-	-	-	-	-	164	153	-	-	164	153
Other	-	-	-	-	13,895	9,187	177,810	163,498	38,274	23,735	229,979	196,420
Total other departmental assets	-	-	-	-	18,062	11,891	183,208	167,298	67,328	36,386	268,598	215,575
Output specific departmental liabilities												
Leases	-	-	-	-	-	-	-	-	75	94	75	94
Employees	-	-	-	-	1,112	1,162	3,235	2,759	12,482	15,246	16,830	19,167
Suppliers	-	-	-	-	643	516	488	346	2,568	1,513	3,699	2,375
Total output specific departmental liabilities	-	-	-	-	1,765	1,678	3,723	3,105	15,125	16,853	20,604	21,636
Other departmental liabilities												
Loans	-	-	-	-	-	-	-	-	-	-	-	-
Capital use charge	-	-	-	-	-	-	-	-	-	-	-	-
Employees	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	1,010	2,161	65	65	3,313	7,875	4,388	10,101
Total other departmental liabilities	-	-	-	-	1,010	2,161	65	65	3,313	7,875	4,388	10,101

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

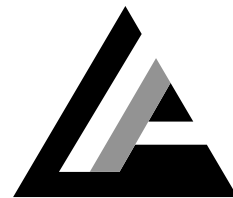
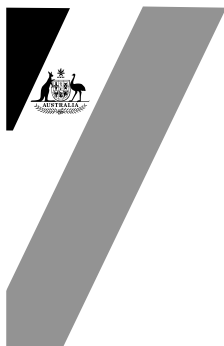
Note 20D - Major Classes of Administered Revenues and Expenses by Outcomes

	Outcome 1		Outcome 2		Outcome 3		Outcome 4		Total	
	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenues										
Dividends	-	-	1,786,166	1,322,469	-	-	-	-	1,786,166	1,322,469
Other sources	19,385	251,162	107,605	250,380	-	-	-	-	126,990	501,542
Total operating revenues	19,385	251,162	1,893,771	1,572,849	-	-	-	-	1,913,156	1,824,011
Operating Expenses										
Subsidies	-	-	5,585	18	-	-	-	-	5,585	18
Grants	146,517	224,639	177,716	77,207	-	-	-	-	324,233	301,846
Other	18,860	162,679	178,005	148,984	-	-	-	-	196,865	311,663
Total Operating Expenses	165,377	387,318	361,306	226,209	-	-	-	-	526,683	613,527

Department of Communications, Information Technology and the Arts
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

Note 20E- Major Classes of Administered Assets and Liabilities by Outcome

	Outcome 1		Outcome 2		Non-Attributable		Total	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
Outcome specific administered assets								
Fees and fines receivable	-	-	-	-	-	-	-	-
<i>Less:</i> provision for doubtful debts	-	-	-	-	-	-	-	-
Loans receivable	-	-	-	-	-	-	-	-
<i>Less:</i> provision for waiving of debts	-	-	-	-	-	-	-	-
Total outcome specific administered assets	-	-	-	-	-	-	-	-
Other administered assets								
Cash	-	-	-	-	524	486	524	486
Investments	-	-	-	-	6,967,695	6,776,712	6,967,695	6,776,712
Other	-	-	-	-	112,127	93,586	112,127	93,586
Total other administered assets	-	-	-	-	7,080,346	6,870,784	7,080,346	6,870,784
Outcome specific administered liabilities								
Suppliers	-	-	-	-	2,276	87	2,276	87
Grants payable	-	-	-	-	1,826	1,102	1,826	1,102
Total outcome specific administered liabilities	-	-	-	-	4,102	1,189	4,102	1,189
Other administered liabilities								
Other	-	-	-	-	3,689	9,169	3,689	9,169
Total other administered liabilities	-	-	-	-	3,689	9,169	3,689	9,169



**Australian National
Audit Office**

INDEPENDENT AUDIT REPORT

To the Minister for Communications, Information Technology and the Arts

Scope

I have audited the financial statements of the Regional Telecommunications Infrastructure Account for the year ended 30 June 2002. The financial statements comprise:

- Statement by the Secretary;
- Statements of Financial Performance, Financial Position and Cash Flows;
- Schedules of Contingencies and Commitments; and
- Notes to and forming part of the Financial Statements.

The Secretary of the Department of Communications, Information Technology and the Arts is responsible for the preparation and presentation of the financial statements and the information they contain. I have conducted an independent audit of the financial statements in order to express an opinion on them to you.

The audit has been conducted in accordance with Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with my understanding of the Account's financial position, its financial performance and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion the financial statements:

- (i) have been prepared in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*; and
- (ii) give a true and fair view, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Finance Minister's Orders, of the financial position of the Regional Telecommunications Infrastructure Account as at 30 June 2002, and its financial performance and cash flows for the year then ended.

Australian National Audit Office



Greg Welsh
Executive Director

Delegate of the Auditor-General

Canberra
18 September 2002



Department of
Communications
Information Technology
and the Arts

our reference

REGIONAL TELECOMMUNICATIONS INFRASTRUCTURE ACCOUNT (RTIA)

2001-2002 FINANCIAL STATEMENTS

STATEMENT BY THE DEPARTMENTAL SECRETARY

In my opinion, the attached financial statements for the year ended 30 June 2002 give a true and fair view of the matters required by the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*.

Helen Williams AO
Secretary

18 September 2002

Jennifer Gale FCPA
Chief Financial Officer

18 September 2002

Department of Communications, Information Technology and the Arts
REGIONAL TELECOMMUNICATIONS INFRASTRUCTURE ACCOUNT (RTIA)
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 30 June 2002

	Notes	2001-02 \$'000	2000-01 \$'000
Revenues from ordinary activities			
Revenues from Government	4	47,859	48,540
Total revenues from ordinary activities		<u>47,859</u>	<u>48,540</u>
Expenses from ordinary activities			
Subsidies	5	5,585	18
Grants	6	54,813	41,002
Total expenses from ordinary activities		<u>60,398</u>	<u>41,020</u>
Net operating surplus / (deficit) from ordinary items		(12,539)	7,520
Net increase (decrease) in administered net assets		<u>(12,539)</u>	<u>7,520</u>

The above schedule should be read in conjunction with the accompanying notes

Department of Communications, Information Technology and the Arts
REGIONAL TELECOMMUNICATIONS INFRASTRUCTURE ACCOUNT (RTIA)
STATEMENT OF FINANCIAL POSITION
as at 30 June 2002

	Notes	2001-02 \$'000	2000-01 \$'000
ASSETS			
Financial assets			
Cash	7	84,992	97,290
Receivables	8	47,832	48,250
Total financial assets		132,824	145,540
Total assets		132,824	145,540
LIABILITIES			
Payables			
Grants	9	-	170
Other	9	-	7
Total payables		-	177
Total liabilities		-	177
EQUITY			
Accumulated surplus		132,824	145,363
Total equity	10	132,824	145,363
Total equity and liabilities		132,824	145,540
Current liabilities		-	177
Non-current liabilities		-	-
Current assets		132,824	145,540
Non-current assets		-	-

The above schedule should be read in conjunction with the accompanying notes

Department of Communications, Information Technology and the Arts
REGIONAL TELECOMMUNICATIONS INFRASTRUCTURE ACCOUNT (RTIA)
STATEMENT OF CASH FLOWS
for the year ended 30 June 2002

	Notes	2001-02 \$'000	2000-01 \$'000
OPERATING ACTIVITIES			
Cash received			
Revenue from government		<u>48,392</u>	<u>50,020</u>
Total cash received		<u>48,392</u>	<u>50,020</u>
Cash used			
Subsidies		(5,585)	(18)
Grants		<u>(55,105)</u>	<u>(42,365)</u>
Total cash used		<u>(60,690)</u>	<u>(42,383)</u>
Net cash from operating activities	11	<u>(12,298)</u>	<u>7,637</u>
FINANCING ACTIVITIES			
Cash received			
GST Appropriations		<u>122</u>	<u>1,487</u>
Total cash received		<u>122</u>	<u>1,487</u>
Cash used			
Return of GST Appropriations to OPA		<u>(122)</u>	<u>(1,480)</u>
Total cash used		<u>(122)</u>	<u>(1,480)</u>
Net cash from financing activities		<u>-</u>	<u>7</u>
Net increase in cash held		<u>(12,298)</u>	<u>7,644</u>
Cash at the beginning of the reporting period		<u>97,290</u>	<u>89,646</u>
Cash at the end of the reporting period		<u>84,992</u>	<u>97,290</u>

The above schedule should be read in conjunction with the accompanying notes

Department of Communications, Information Technology and the Arts
REGIONAL TELECOMMUNICATIONS INFRASTRUCTURE ACCOUNT (RTIA)
SCHEDULE OF COMMITMENTS
as at 30 June 2002

	Note	2001-02 \$'000	2000-01 \$'000
BY TYPE			
OTHER COMMITMENTS			
Grants ⁽¹⁾		<u>75,776</u>	<u>80,742</u>
Total other commitments		<u>75,776</u>	<u>80,742</u>
COMMITMENTS RECEIVABLE			
		1,997	3,224
Net commitments		<u><u>73,779</u></u>	<u><u>77,518</u></u>
BY MATURITY			
All net commitments			
One year or less		63,938	69,121
From two to five years		<u>9,841</u>	<u>8,397</u>
Net commitments		<u><u>73,779</u></u>	<u><u>77,518</u></u>

NB: All commitments are GST inclusive where relevant

- (1) Payments comprises payments to State Government, Local Government and private organisations for work relating to RTIA, Rural Internet Access and Telecommunication needs of remote communities.

The above schedule should be read in conjunction with the accompanying notes

Department of Communications, Information Technology and the Arts
REGIONAL TELECOMMUNICATIONS INFRASTRUCTURE ACCOUNT (RTIA)
SCHEDULE OF CONTINGENCIES
as at 30 June 2002

SCHEDULE OF CONTINGENCIES

There are no contingent losses or gains at 30 June 2002 (2000-01: Nil)

SCHEDULE OF UNQUANTIFIABLE CONTINGENCIES

There are no unquantifiable contingent losses or gains at 30 June 2002 (2000-01: Nil)

The above schedule should be read in conjunction with the accompanying notes

Department of Communications, Information Technology and the Arts
REGIONAL TELECOMMUNICATIONS INFRASTRUCTURE ACCOUNT (RTIA)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

Description	No.
Objectives of the RTIA	1
Funding arrangements for the RTIA	2
Summary of significant accounting policies	3
Revenues from Government	4
Subsidies	5
Grants	6
Cash	7
Receivables	8
Payables	9
Equity	10
Cash flow reconciliation	11
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Receipts and expenditure of the Special Account	13

Department of Communications, Information Technology and the Arts
REGIONAL TELECOMMUNICATIONS INFRASTRUCTURE ACCOUNT (RTIA)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

Introduction

The Regional Telecommunications Infrastructure Account (RTIA) is a special account funded through the partial sale of Telstra and the subsequent social bonus. The fund is administered through the Department of Communications, Information Technology and the Arts (DCITA).

Note 1 - Objectives of the RTIA

The objective of RTIA is to assist the economic and social development of regional, rural and remote Australia by funding projects which:

- enhance telecommunications infrastructure and services in regional, rural and remote areas;
- increase access to, and promote use of, services available through telecommunications networks in regional, rural and remote areas; or
- reduce disparities in access to such services and facilities between Australians in regional, rural or remote areas and those in urban areas.

Note 2 - Funding arrangements for the RTIA

The Government announced the establishment of the RTIA in December 1996 with total funding of \$250m, with \$50m being allocated each year from 1997-98 to 2001-02.

Of total funds \$9.606m has been allocated to manage the program (\$1.757m in 2000-2001 and \$2.168 in 2001-2002), and is included in DCITA's Departmental appropriation. Each year the balance of the \$50m drawdown (\$47.832m) is transferred into the Regional Telecommunications Infrastructure Account Special Account, established under s20 of the *Financial Management and Accountability Act 1997*.

A further \$81.0m of funding was provided for three programs, two of which run to 30 June 2003, being Telecommunication Needs of Remote Communities (\$20.0m) and Rural Internet Access (\$36m), the other of which runs to 31 December 2002, being Mobile Phones Along Highways (\$25m).

Note 3 – Summary of Significant Accounting Policies

The financial statements are a general-purpose financial report.

The statements have been prepared in accordance with:

- Finance Minister's Orders (being the *Financial Management and Accountability (Financial Statements 2001-2002) Orders*);
- Australian Accounting Standards and Accounting Interpretations issued by Australian Accounting Standards Board;
- Other authoritative pronouncements of the Board; and
- Consensus Views of the Urgent Issues Group.

The statements have been prepared having regard to:

- Statements of Accounting Concepts; and
- The Explanatory Notes to Schedule 1, and Guidance Notes issued by the Department of Finance and Administration.

The Statement of Financial Performance and Statement of Financial Position have been prepared on an accrual basis and are in accordance with the historical cost convention. Except where stated, no allowance is made for the effect of changing prices on the results or the Statement of Financial Position.

Assets and liabilities are recognised in the Statement of Financial Position when and only when, it is probable that future economic benefits will flow and the amounts of the assets or liabilities can be reliably measured. Assets and liabilities arising under agreements equally proportionately unperformed are, however, not recognised unless required by an Accounting Standard. Liabilities and assets, which are unrecognised, are reported in the Schedule of Commitments.

Revenues and expenses are recognised in the Statement of Financial Performance when, and only when, the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

3.1 Changes in Accounting Policy

There are no changes in accounting policy.

Department of Communications, Information Technology and the Arts
REGIONAL TELECOMMUNICATIONS INFRASTRUCTURE ACCOUNT (RTIA)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

3.2 Economic Dependency

RTIA's continued existence, in its current form and with its current outputs, is dependent on government policy and on continuing appropriation by Parliament of unspent funding of \$84.992m.

The RTIA program ends on 30 June 2002 however contractual obligations and payments will extend it until 30 June 2004. The Rural Internet Access and Telecommunication needs of remote communities programs end on 30 June 2003.

3.3 Rounding

Amounts have been rounded to the nearest \$1,000 except for Note 13.

3.4 Cash

Cash includes cheques, notes and coins held, deposits held at call with a bank or financial institution and cash from the Official Public Account.

3.5 Financial Instruments

Accounting policies for financial instruments are stated at Note 12.

3.6 Taxation

The Account is exempt from all forms of taxation except Fringe Benefits Tax and the Goods and Services Tax.

Goods and Services Tax

Revenue and expenses are recognised net of the amount of GST, except where the amount of GST is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

3.7 Comparative Figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation and disclosure requirements in the financial statements and notes.

3.8 Grants

The Fund applies a uniform policy for all grants. Grant liabilities are recognised to the extent that:

- (a) The services required to be performed by the grantee have been performed; or
- (b) The grant eligibility criteria have been satisfied.

Where grant moneys are paid in advance of performance or eligibility, a prepayment is recognised. Grant commitments are reported in the Schedule of Commitments for any agreements signed that have not met the expense recognition criteria.

Department of Communications, Information Technology and the Arts
REGIONAL TELECOMMUNICATIONS INFRASTRUCTURE ACCOUNT (RTIA)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2002

	2001-02 \$'000	2000-01 \$'000
<u>Note 4 - Revenues from Government</u>		
Revenues from Government	47,859	48,540
Total	<u>47,859</u>	<u>48,540</u>
<u>Note 5 - Subsidies</u>		
Subsidies	5,585	18
Total	<u>5,585</u>	<u>18</u>
<u>Note 6 - Grants</u>		
Grants		
Non profit institutions	17,662	17,189
State and Territory governments	23,618	17,809
Local government	8,724	5,918
Profit making entities (non-Commonwealth entities)	4,809	86
Total	<u>54,813</u>	<u>41,002</u>
<u>Note 7 - Cash</u>		
Cash	84,992	97,290
Total	<u>84,992</u>	<u>97,290</u>
<u>Note 8 - Receivables</u>		
Receivables	47,832	48,243
Goods and services tax	-	7
Total	<u>47,832</u>	<u>48,250</u>
<u>Note 9 - Payables</u>		
Grants	-	170
Other - goods and services tax	-	7
Total	<u>-</u>	<u>177</u>

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Note 10 - Equity Movement Table

Item	Accumulated results		Total Reserves		Contributed equity		Total equity	
	2001-2002 \$'000	2000-2001 \$'000	2001-2002 \$'000	2000-2001 \$'000	2001-2002 \$'000	2000-2001 \$'000	2001-2002 \$'000	2000-2001 \$'000
Opening balance as at 1 July	145,363	137,843	-	-	-	-	145,363	137,843
Net change in Administered net assets from operations	(12,539)	7,520	-	-	-	-	(12,539)	7,520
Injection / (disposal) of capita	-	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-	-
Closing balance as at 30 June	132,824	145,363	-	-	-	-	132,824	145,363
Total equity attributable to the Commonwealth	132,824	145,363	-	-	-	-	132,824	145,363

Note 11 - Cash Flow Reconciliation

Administered

Reconciliation of Cash per Statement of Financial Position to Statement of Cash Flows
Cash at year end per Statement of Cashflows
Statement of Financial Position items comprising above cash:
Financial Asset - Cash

2001-02
\$'000

2000-01
\$'000

84,992

97,290

84,992

97,290

Reconciliation of Operating surplus to net cash provided by operating activities
Net surplus

(12,539)

7,520

(Increase) / Decreased in receivables
(Decrease) in subsidies

418

(7)

Increase / (Decrease) in grants payable

(7)

124

Net cash provided by operating activities

(12,298)

7,644

Note 12 Financial Instruments

(a) Terms, Conditions and Accounting Policies

Financial Instrument	Notes	Accounting Policies and Methods	Nature of underlying instrument
Financial Assets:		<i>Financial assets are recognised when control over future economic benefits is established and the amount of the benefit can be reliably measured.</i>	
Cash	7	Deposit is recognised at its nominal amount.	The balance of the cash account non interest bearing.
Appropriation Receivables	8	These receivables are recognised at the nominal amounts.	Credit terms are net 30 days (2000/2001: 30 days).
Financial Liabilities:		Financial Liabilities are recognised when a present obligation to another party is entered into and the amount of the liability can be reliably measured.	
Grants liabilities	9	Grants made by the Department are recognised as liabilities and expenses only at the time that the grantee has met all obligations and conditions implicit in the grant agreement.	The Department approves applications for grants based on application merits and selection criteria. Grant payments are made in accordance with the grant agreement. The timing of the payments is based on the nature of the project to which the grant is to be put towards and can be subject to the grantee fulfilling requirements relating to the project.

There are no unrecognised financial assets and financial liabilities

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(b) Interest Rate Risk

	Notes	Floating Interest Rate		Fixed Interest Rate				Fixed Interest Rate				Non-Interest Bearing		Total		Weighted Average Effective Interest Rate	
		2001-02 \$'000	2000-01 \$'000	2001-02 \$'000	2000-01 \$'000	1 to 2 years 2001-02 \$'000	2000-01 \$'000	2 to 5 years 2001-02 \$'000	2000-01 \$'000	> 5 years 2001-02 \$'000	2000-01 \$'000	2001-02 \$'000	2000-01 \$'000	2001-02 \$'000	2000-01 \$'000	2001-02 %	2000-01 %
Financial Assets																	
Cash	7	-	-	-	-	-	-	-	-	-	-	84,992	97,290	84,992	97,290	n.a	n.a
Receivables - Grants	8	-	-	-	-	-	-	-	-	-	-	47,832	48,243	47,832	48,243	-	-
GST Receivable	8	-	-	-	-	-	-	-	-	-	-	-	7	-	7	-	-
Total Financial Assets (Recognised)		-	-	-	-	-	-	-	-	-	-	132,824	145,540	132,824	145,533		
Total Assets														132,824	145,533		
Financial Liabilities																	
Grants payable	9	-	-	-	-	-	-	-	-	-	-	-	170	-	170	-	-
Other Payables	9	-	-	-	-	-	-	-	-	-	-	-	7	-	7	-	-
Total Financial Liabilities (Recognised)		-	-	-	-	-	-	-	-	-	-	-	177	-	177	-	-
Total Liabilities														-	177		

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(c) Net Fair Values of Agency Financial Assets and Liabilities

	Note	2001-02		2000-01	
		Total carrying amount \$'000	Aggregate net fair value \$'000	Total carrying amount \$'000	Aggregate net fair value \$'000
Financial Assets					
Cash	7	84,992	84,992	97,290	97,290
Receivables	8	47,832	47,832	48,250	48,250
Total Financial Assets		132,824	132,824	145,540	145,540
Financial Liabilities (Recognised)					
Grants Payable	9	-	-	170	170
Other Payables	9	-	-	7	7
Total Financial Liabilities (Recognised)		-	-	177	177
Financial Assets					
The net fair value of cash and receivables approximate their carrying amounts.					
Financial Liabilities					
The net fair value of subsidies and grants payable approximate their carrying amounts.					

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Note 13 - Receipts and expenditure of the Special Account

Legal authority - *Financial Management and Accountability Act 1997*, section 20.

	2001-02 Cash \$	2001-02 Investments \$	2001-02 Total \$	2000-01 Cash \$	2000-01 Investments \$	2000-01 Total \$
Amount available for appropriation at 1 July 2001	97,289,777	-	97,289,777	89,645,527	-	89,645,527
Plus:						
Appropriations credited during year	48,270,816	-	48,270,816	48,540,000	-	48,540,000
Other revenue credited during year	-	-	-	-	-	-
Receipts from realisation of investments	-	-	-	-	-	-
Total available for expenditure	145,560,593	-	145,560,593	138,185,527	-	138,185,527
Less:						
Payments made during the year	(60,568,483)	-	(60,568,483)	(40,895,750)	-	(40,895,750)
Amount available for appropriation at 30 June 2002	84,992,110	-	84,992,110	97,289,777	-	97,289,777

Acronyms

A

A/g	Acting
ABA	Australian Broadcasting Authority
AbaF	Australia Business Arts Foundation
ABC	Australian Broadcasting Corporation
ACE	Australian Communications Exchange
ABS	Australian Bureau of Statistics
ACA	Australian Communications Authority
ACCC	Australian Competition and Consumer Commission
AeB.N	Australian Electronic Business Network
ACIF	Australian Communications Industry Forum
ACT	Australian Capital Territory
ACTF	Australian Children's Television Foundation
AE	Additional Estimates
AFC	Australian Film Commission
AFL	Australian Football League
AFTRS	Australian Film, Television and Radio School
AGLS	Australian Government Locator Service
ACIF	Australian Communications Industry Forum
AIA	Arts Indemnity Australia
AIATIS	Australian Institute of Aboriginal and Torres Strait Islander Studies
AICC	Australian International Cultural Council
AIEAC	Australian Information Economy Advisory Council

AIIA	Australian Information Industry Association
AIMIA	Australian Interactive Multimedia Industry Association
AMOL	Australian Museums On Line
AMPS	Analogue Mobile Phone Service
ANAO	Australian National Audit Office
APEC	Asia Pacific Economic Cooperation
APG	Australian Property Group
APPU	Asian-Pacific Postal Union
APRA	Australasian Performing Rights Association
APS	Australian Public Service
APT	Accountability Project Team
APT	Asia Pacific Telecommunity
AS	Assistant Secretary
ASC	Australian Sports Commission
ASDA	Australian Sports Drug Agency
ASEAN	Association of South East Asian Nations
ASO	Administrative Services Officer
ASEN	Australian Science Exhibitors Network
ASTAP	APT Standardisation Program
ATO	Australian Taxation Office
ATOM	Australian Teachers of Media
ATSI	Aboriginal and Torres Strait Islander peoples
ATSIC	Aboriginal and Torres Strait Islander Commission

B

BARN	Building Additional Regional Networks
BDF	Business Development Fund
BCL	Broadcast Communications Limited
BITS	Building Information Technology Strengths
BSA	<i>Broadcasting Services Act 1992</i>

C

CAC	Commonwealth Authorities and Companies
CAL	Copyright Agency Ltd
CBF	Community Broadcasting Foundation
CBP	Cultural Bequests Program
CCC	Construction Coordination Committee
CD	compact disc
CDMA	Code Division Multiple Access
CD-ROM	Compact Disc-Read Only Memory
CDS	Commonwealth Disability Strategy
CEO	Chief Executive Officer
CGM	Chief General Manager
CGP	Cultural Gifts Program
CITP	Corporate Information Technology Plan
CLRC	Copyright Law Review Committee
CMC	Cultural Ministers Council
CMC SWG	Cultural Ministers Council Statistics Working Group
CND	Calling Number Display
COF	Centenary of Federation
CPAS	Centre for Public Awareness of Science
CPI	Consumer price index
CSG	Customer Service Guarantee
CSIRO	Commonwealth Scientific and Industrial Research Organisation

CST	Commonwealth Service Town
CTP	Commonwealth Technology Port
CWP	Capital Works Program

D

DAB	Digital audio broadcasting
DCA	Department of Communications and the Arts
DCC	Department Consultative Council
DDSO	Digital Data Service Obligation
DEH	Department of Environment and Heritage
DFAT	Department of Foreign Affairs and Trade
DNC	Distributed National Collection
DoFA	Department of Finance and Administration
DRAC	Digital Radio Advisory Committee

E

EDI	Electronic data interchange
EDS	Executive Development Scheme
EEO	Equal employment opportunity
ELR	Education Lending Right
Email	Electronic mail
EME	Electromagnetic energy
EPO	Erythropoietin
ESA	Endorsed Supplier Arrangement
ESC	Electorate Selection Committees

F

FACTS	Federation of Australian Commercial Television Stations
FAS	First Assistant Secretary
FCHP	Federation Cultural and Heritage Projects
FCP	Federation Community Projects

FFC	Australian Film Finance Corporation
FLIC	Film Licensed Investment Company
FM	Frequency modulation
FOI	Freedom of information

G

GAA	Graduate Administrative Assistant
GAC	Governmental Advisory Committee
GBE	Government business enterprise
GHz	Gigahertz
GIC	Government Information Centre
GM	General Manager
GOVERNET	Government Electronic Resources Network
GPKI	Government public key infrastructure
GSM	Global systems for mobiles

H

HCC	Heritage Collections Council
HDTV	High definition television
HF	High frequency
HPCC	High Performance Computing and Communications
HRC	Human Resources Committee
HRD	Human resource development
HRM	Human resource management

I

IAP	Internet Assistance Program
IATM	International Association of Transport and Communication Museums
ICANN	Internet Corporation for Assigning Names and Numbers
ICOM	International Council of Museums
ICT	Information communications technology

ID	Industrial democracy
IDP	Industry Development Plan
IICGADS	International Inter-governmental Consultative Group on Anti-Doping in Sport
IIOF	Information Industries and Online Taskforce
INTELSAT	International Telecommunications Satellite Organisation
IP	Intellectual property
IPAC	Information Policy Advisory Council
ISDN	Integrated Services Digital Network
ISP	Internet service provider
IT	Information technology
ITO	Information technology officer
ITOL	Information Technology Online
ITU	International Telecommunication Union

L

LAN	Local area network
LGF	Local Government Fund
LMDS	Local multi-point distribution services

M

MACC	Media and Communications Council
MAC	Ministerial Advisory Council
MAI	Multilateral Agreement on Investment
MAVIS	Merged Audiovisual Information System
MHz	Megahertz
MOU	Memorandum of understanding
MRA	Mutual recognition arrangement

N

NAA	National Archives of Australia
NADC	National Australia Day Council

NAISDA	National Aboriginal and Islander Skills Development Association
NCA	National Capital Authority
NCC	National Competition Council
NCF	National Communications Fund
NESB	Non-English Speaking Background
NIDA	National Institute of Dramatic Art
NMA	National Museum of Australia
NOIE	National Office for the Information Economy
NPG	National Portrait Gallery
NRS	National Relay Service
NSTC	The National Science and Technology Centre
NSW	New South Wales
NT	Northern Territory
NTA	National Transmission Agency
NTN	Networking the Nation
NTN	National Transmission Network
NTWP	New Technologies Working Party

O

OASITO	Office of Asset Sales and IT Outsourcing
OECD	Organisation for Economic Cooperation and Development
OFLIC	Office of Film and Literature Classification
OGO	Office of Government Online
OH&S	Occupational Health and Safety
OPAI	Online Public Access Initiative
OPH	Old Parliament House

P

PAC	Privacy Advisory Committee
PAES	Portfolio Additional Estimates Statements

PBS	Portfolio Budget Statements
PECC	Project Electronic Commerce and Communications
PfD/FTA	Partnership for Development and Fixed Term Arrangement
PLR	Public Lending Right
PM	Prime Minister
PMCH	Protection of Movable Cultural Heritage
POP	Point of Presence
PPCA	Phonographic Performance Company of Australia
PSMPC	Public Service and Merit Protection Commission
PWD	People with a Disability

Q

QLD	Queensland
-----	------------

R

RABS	Remote Area Broadcasting Services
RADCOM	Radio Communications Management
RC	Running Costs
RICP	Return of Indigenous Cultural Property
ROCO	Register of Cultural Organisations
RTIF	Regional Telecommunications Infrastructure Fund (Networking the Nation)

S

SA	South Australia
SBS	Special Broadcasting Service
SCG	Staff Consultative Group
SCORS	Standing Committee on Recreation and Sport
SEA	Software Engineering Australia
SEQC	Software Engineering Quality Centres

SES	Senior Executive Officer
SITA	Société Internationale de Télécommunications Aéronautiques
SME	Small-to-medium sized enterprise
SQSC	Shell Questacon Science Circus
STB	set top boxes (for television)
STD	Subscriber trunk dialling

T

TAS	Tasmania
TECC	Tasmanian Electronic Commerce Centre
TIA	Tax Incentives for the Arts
TIHC	Tax Incentives for Heritage Conservation
TIO	Telecommunications Industry Ombudsman
TSI	Telecommunications Service Inquiry
TTY	Telephone typewriter
TV	Television

U

UHF	Ultra High Frequency
UNESCO	United Nations Education, Scientific and Cultural Organisation
UPU	Universal Postal Union
USO	Universal Service Obligation
USP	Universal Service Plan
UTS	United Telecasters Sydney Limited

V

VHF	Very High Frequency
VIC	Victoria

W

WA	Western Australia
----	-------------------

WHO	World Health Organisation
WIPO	World Intellectual Property Organisation
WPPT	WIPO Performances and Phonograms Treaty
WTO	World Trade Organisation
WWW	World Wide Web

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